

WEST RAND DISTRICT MUNICIPALITY



2009/2010

ANNUAL REPORT

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LIST OF ABBREVIATIONS

| | | |
|--------|---|---|
| AAT | : | Association for Accounting Technicians |
| BIQ | : | Brits IBM Quill Associates |
| CBD | : | Central Business District |
| CCTV | : | Closed Circuit Television |
| CoHWHS | : | Cradle of Humankind World Heritage Site |
| CPF | : | Community Policing Forum |
| DMA | : | District Management Area |
| DWAE | : | Department of Water Affairs and Environment |
| ECDC | : | Early Childhood Development Centre |
| EIA | : | Environmental Impact Assessment |
| EMF | : | Environmental Management Framework |
| EMP | : | Environmental Management Policy |
| EMS | : | Emergency Medical Services |
| EOC | : | Emergency Operations Centre |
| EPWP | : | Extended Public Works Programme |
| EQM | : | Environmental Quality Management |
| FPA | : | Fire Protection Associations |
| GDACE | : | Gauteng Department of Agriculture, Conservation and Environment |
| GIS | : | Geographic Information System |
| ICT | : | Information Communication Technology |
| IDASA | : | Institute for Democracy in South Africa |
| ITP | : | Integrated Transport Plan |
| LED | : | Local Economic Development |
| LGSETA | : | Local Government Sector Education and Training Authority |
| LTA | : | Local Tourism Association |
| MayCom | : | Mayoral Committee |
| MFMA | : | Municipal Finance Management Act |
| MMMTTs | : | Municipal Mitigation Monitoring Task Teams |
| MPRA | : | Municipal Property Rates Act |
| NSDP | : | National Spatial Development Perspective |
| NToD | : | National Department of Transport |
| Rod | : | Record of Decision |
| RSDF | : | Regional Spatial Development Framework |

| | | |
|----------|---|---|
| SAICA | : | South African Institute for Chartered Accountants |
| SAPS | : | South African Police Services |
| SARCC | : | South African Rail Commuter Corporation |
| SCM | : | Supply Chain Management |
| SDBIP | : | Service Delivery and Budget Implementation Plan |
| SDF | : | Spatial Development Framework |
| SMME | : | Small Medium and Macro Enterprises |
| SOER | : | State of the Environment Report |
| Stats SA | : | Statistics South Africa |
| VCT | : | Voluntary Counselling and Testing |
| VOIP | : | Voice Over Internet Protocol |
| WHO | : | World Health Organisation |
| WRDA | : | West Rand Development Agency |
| WRDM | : | West Rand District Municipality |

AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE GAUTENG PROVINCIAL LEGISLATURE AND THE COUNCIL OF WEST RAND DISTRICT MUNICIPALITY

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying consolidated financial statements and financial statements of the West Rand District Municipality (WRDM), which comprise the consolidated and separate statement of financial position at 30 June 2010, the consolidated and separate statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and the accounting officer's report as set out on pages ... to

Accounting officer's responsibility for the consolidated financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of South Africa, 1996 (Act No. 108 of 1996), section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, these financial statements present fairly, in all material respects, the consolidated and separate financial position of the West Rand District Municipality as at 30 June 2010 and its consolidated and separate financial performance and its cash flows for the year then ended are prepared, in all material respects, in accordance with the SA Standards of GRAP and in the manner required by the MFMA.

Emphasis of matter

8. I draw attention to the matter below. My opinion is not further modified in respect of matters:

Irregular expenditure

9. As disclosed in note 28 to the financial statements, irregular expenditure to the amount of R3 106 515 was incurred, as proper tender processes were not followed.

Additional matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited supplementary schedules

11. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. As required by the PAA and in terms of *General Notice 1570 of 2009 issued in Government Gazette 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the following key laws and regulations of the MFMA, Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) and financial management (internal control).

Predetermined objectives

13. Material findings on the report on predetermined objectives, as set out on pages ... to ..., are reported below:

Non-compliance with regulatory and reporting requirements

14. The West Rand Development Agency did not prepare and include an assessment by the entity's accounting officer of the entity's performance against any measurable objectives set in terms of the agreement between the entity and its parent municipality, as required by section 121(4)(d) of the MFMA.

Compliance with laws and regulations

Municipal Finance Management Act, 2003

Supply Chain Management legislative requirements were not implemented

15. Contrary to the requirements of MFMA section 112(1), the West Rand District Municipality supply chain management policy was in conflict with the MFMA and the supply chain management regulation.

INTERNAL CONTROL

16. I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives as well as compliance with the MFMA, but not for the purpose of expressing an opinion on the effectiveness of internal control.

17. The matters reported below are limited to the significant deficiencies regarding the findings on the report on predetermined objectives and the findings on compliance with laws and regulations.

Leadership

Oversight responsibility

The accounting officer does not exercise oversight responsibility over compliance with laws and regulations as the West Rand District Municipality supply chain management policy was contrary to the MFMA and supply chain management regulation.

Financial and performance management

Quality, reliable monthly financial statements and management information

The financial statements of West Rand Development Agency were subject to amendments resulting from the audit.

Adequate financial management systems

Systems of West Rand Development Agency are not appropriate to facilitate the preparation of the performance reports.

Governance

No matters to report.

Auditor-General

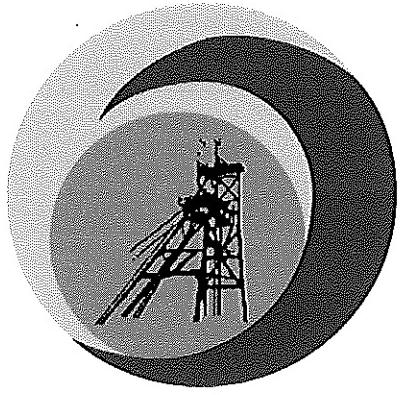
Johannesburg

30 November 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



**WEST RAND DISTRICT
MUNICIPALITY**

**ANNUAL REPORT OF THE AUDIT
COMMITTEE**

2009/10

The Audit Committee hereby presents its Annual report for the financial year ended 30 June 2010.

Background overview

The Audit Committee of the West Rand District Municipality (WRDM) was reconstituted on 1 July 2008 for the period of three years ending 30 June 2011. The Committee consisted of four independent members with various skills require. At the end of the financial year 2009/10, the Committee consisted of only two members due to resignation of other members. The Committee is in a process of requesting additional members to meet the requirements of the legislations.

The Committee adopted an Audit Committee Charter which sets out the fundamental roles and responsibilities of the Committee. The Charter was informed by the requirements of Sec 166 of Municipal Finance and Management Act (MFMA). The Committee has regulated it affairs in compliance with this Charter.

It must be noted that the Audit Committee only presents its Annual Report to Council once the Auditor General has issued its final Audit Report for the year under review.

Attendance to Meetings

The Committee met six times for the period under review:

| Name | Attended | Apologies | Total |
|-----------------------|----------|-----------|-------|
| Adv WE Huma (Chair) | 6 | 0 | 6 |
| Mr TP Dibishi CA (SA) | 4 | 2 | 6 |
| Ms LN Mola | 4 | 2 | 6 |

Mr TP Dibishi resigned in April 2010

Audit Committee Responsibility

The Committee guided by its Audit Committee Charter duly adopted by all members, reports that it has substantially fulfilled its responsibilities arising from Section 166 of MFMA. Below are fundamental roles and responsibilities of the Audit Committee:

1. Responsibilities relating to Internal Audit.
2. Responsibilities relating to External Audit.
3. Responsibilities relating to Annual Financial Statements.
4. Responsibilities relating to Financial and Legal Compliance.
5. Responsibilities relating to Risk Management.
6. Responsibilities relating to Performance Management.

Responsibilities relating to Internal Audit

The Committee reports that WRDM has an in house Internal Audit Department consisting of eight staff members of which six are permanent and two are interns. The Internal Audit Department was mandated by its Internal Audit Charter which was approved by the Audit Committee. The Internal Audit Department operated in accordance with approved three year Internal Audit Strategic plan and

Internal Audit Annual plan. An Internal Audit Methodology was developed and approved by the Audit Committee. The Methodology is the audit procedure manual which must be applied by internal auditors in the execution of its activities. The methodology is in line with the International Standards for the Professional Practice of Internal Auditors (ISPPA) prescribed by the Institute of Internal Auditors (IIA). National Treasury has also developed an Internal Audit Framework that was adopted by the Audit Committee and implemented by the Internal Audit Department.

The Committee reports that the Internal Audit Department fully executed its Annual Audit plan for 2009/10. Internal Audit reports were submitted to the Committee for review. The Committee noted that management comments were provided in the reports. It must be noted that management is not only required to provide management comments but management must ensure that corrective measures are put in place to correct weaknesses in the internal control systems identified during audit engagements. The Committee does not expect these weaknesses to crop up in the follow up audits.

All audit reports for 2009/10 have been posted on the Intranet site of the Municipality and all interested stakeholders can view these internal audit reports.

The Committee also reports that internal auditors have attended a variety of training in order to capacitate their skills. These courses relate to Risk Management, Corporate governance, Performance Management, Financial auditing, Strategic audit planning, Quality assurance, Performance auditing, Capital project etc. Two internal auditors have been enrolled in the Internal Audit Technician, two year learnership programme offered by the Institute of Internal Auditors. The programme is funded by the Department of Local Government and Housing.

Responsibilities relating to External Audit

The WRDM as a government institution is audited by the Office of the Auditor General South Africa. The Audit Committee has engaged with the Office of the Auditor General throughout the financial year. A representative from the Office of the Auditor General has standing invite to all Audit Committee meetings.

The Audit Committee envisages a harmonised relationship between Internal Auditors and External Auditors which will ensure that their work complement each other and there will be no duplications of efforts. The Committee encourages continued interaction between the auditors.

The Audit Committee acknowledges the training offered by the Office of the Auditor General on Audit of Predetermined Objectives which assisted the Municipality in preparation for the Audit of Performance Information. The Committee appreciates the inputs it received from the Office of the Auditor General through its quarterly meetings.

Responsibilities relating to Annual Financial Statements

The Committee reports that the Annual Financial Statements for the period under review were presented to Committee by the Chief Financial Officer before they were submitted to the Office of the Auditor General. The Committee is mandated by MFMA to review the Annual Financial Statements

and provide technical input to the financial statements before they are submitted to the Office of the Auditor General.

After careful consideration of the financial statements, the Committee also stated its concerns over the financial statements of the West Rand Development Agency which were to be incorporated into those of the District. The Committee raised is sceptical of the impact the Agency will have on the financial affairs of the District if the Agency is not properly monitored. The Committee took note of the existence of the Audit Committee for the Agency but would advise the District to provide the mandate for the District Audit Committee to interact with the Agency's Audit Committee. The Committee recommended that the Financial statements be submitted to the Office of the Auditor General for audit purposes.

The Office of the Auditor General, after completion of the audit of the financial statements for the Municipality and its entity, presented the audit report to the Audit Committee. The Committee concurs and accepts the Auditor General's conclusions on the annual financial statements. The Committee congratulates the Municipality for once again obtaining an unqualified audit opinion. The Committee however, emphasises the need for the District to intervene in the running of the Agency. The Committee advises that Finance, Internal Audit and IDP/PMS units assist the Agency in putting in place the necessary financial and information control measures to improve the internal control systems. It must be emphasised that the qualification of the Agency in its financial affairs could have adverse impact on the financial affairs of the District and all the good efforts of the District will be in vain.

The Committee is of the opinion that the audited Group Financial Statements 2009/10, be accepted and read together with the audit report of the Auditor General.

Responsibilities relating to financial and legal compliance

The Committee reports that the Municipality has presented to it all the legal cases and disciplinary hearings for the period under review. The Committee has provided technical inputs and recommended that where necessary financial contingency plans be implemented to mitigate any results of these cases. The Committee noted that such contingency plans were provided for in the financial statements. It was also noted that all MFMA compliance requirements were submitted to the Provincial and National Treasuries.

Responsibilities relating to Risk Management processes

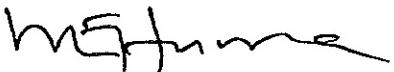
The Committee appreciates the exercise undertaken by the Municipality to revise its risk profile by conducting risk assessment workshops. Reports pertaining to the Risk register and the Risk management strategy were presented to the Committee. It was noted that these reports were not yet tabled to Council due to non existence of the Risk Management unit to implement the strategy. The Committee takes note of the intention of the Municipality to establish this unit which will also deal with Anti corruption and Fraud prevention processes. It is also in the interest of the Internal Audit to conduct its affairs in a risk based approach.

Responsibilities relating to Performance Management

The Committee acknowledges that the Municipality has a performance management system in place and the processes are in place to report on the performance information. The Committee also noted the Auditor General intensive focus on the performance information and the reality of an opinion being expressed on the performance information. The Committee emphasise the importance of keeping records of the performance information as it was observed that some departments produced insufficient records to validate their performance information. Also it is important that the departments adhere to deadlines for submission of performance information for compilation and audit purposes.

Conclusion

The Committee wishes to express its appreciation to the West Rand District Municipality, the Office of the Auditor General and all other stakeholders involved.



**ADV WE HUMA
CHAIRPERSON**

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| 1 OTHER RESERVES | | | |
| Transport fund | 803,967 | 803,967 | 757,807 |
| Unappropriated surplus | 757,807 | 757,807 | 1,355,207 |
| Transfers from operating Income | 63,360 | 63,360 | 107,781 |
| Transfers for expenditure incurred | (7,200) | (7,200) | (705,181) |
| Bank and cash | 803,967 | 803,967 | 757,807 |
| Total transport fund: assets and liabilities | - | - | - |
| Capital Reserve Fund | 21,751,894 | 21,751,894 | 21,868,016 |
| Unappropriated surplus | 21,668,015 | 21,668,015 | 14,131,695 |
| Transfers from operating Income | 7,747,400 | 7,747,400 | 14,242,450 |
| Transfers for expenditure incurred | (7,863,521) | (7,863,521) | (6,508,130) |
| Bank and cash | 21,751,894 | 21,751,894 | 21,868,015 |
| Total transport and capital reserve fund | <u>22,655,861</u> | <u>22,655,861</u> | <u>22,625,822</u> |
| 2 BORROWINGS | | | |
| 2.1 Annuity loans | | | |
| Unsecured borrowings: DBSA | 13,455,274 | 13,455,274 | 15,725,331 |
| Less : Current portion annuity | (2,441,859) | (2,441,859) | (2,214,839) |
| Total long term borrowings | <u>11,013,415</u> | <u>11,013,415</u> | <u>13,510,492</u> |
| DBSA loans bears interest of 10% per annum and is repayable over a period of 20 years. The loans were utilised to finance capital projects in the local municipalities. The remaining period of these loans are 4 years. | | | |
| 2.2 Lease liability | | | |
| Capital lease liability | 5,362,593 | 5,341,130 | 5,607,389 |
| Less : Current portion leases | (3,139,094) | (3,117,631) | (3,828,763) |
| Total lease liability | <u>2,223,499</u> | <u>2,223,499</u> | <u>1,780,636</u> |
| Cell phone contracts lease term are 24 months, vehicles and photocopier/faxes lease terms are 36 months. | | | |
| Refer to Appendix A for more detail on borrowings. | | | |
| 3 PROVISIONS | | | |
| The movement in the non-current provision is reconciled as follows:- | | | |
| 3.1 Project provision | | | |
| Balance at beginning of year | 17,944,013 | 17,944,013 | 11,385,187 |
| Contributions to provision | | | |
| Transferred to expenditure | (16,806,296) | (16,806,296) | (11,046,620) |
| Balance at end of year | <u>2,137,717</u> | <u>2,137,717</u> | <u>17,944,013</u> |
| Provision is to finance identified projects in the local municipalities and the WRDM. It is not certain when the monies will be spent by the local municipalities hence the amounts to be transferred and the timing are not certain. | | | |
| 3.2 Staff performance bonuses | | | |
| Balance at beginning of year | 752,299 | 752,299 | 452,810 |
| Contributions to provision | 573,270 | 573,270 | 299,489 |
| Transferred to expenditure | (53,524) | (53,524) | - |
| Balance at end of year | <u>1,272,045</u> | <u>1,272,045</u> | <u>752,299</u> |
| Total provisions | <u>3,409,762</u> | <u>3,409,762</u> | <u>18,696,312</u> |
| Provision for section 67 employees. The payment of the bonuses are based on performance and therefore the performance, amounts and payment date are uncertain. | | | |
| 4 CREDITORS | | | |
| Trade creditors | 5,691,237 | 5,116,983 | 2,208,986 |
| Salary third party payments | 62,636 | 62,636 | 62,347 |
| Retention | 182,400 | - | - |
| Payments received in advance | 232,231 | 232,231 | 228,262 |
| Staff leave accrual | 6,573,582 | 6,382,113 | 4,898,824 |
| Total creditors | <u>13,031,786</u> | <u>11,783,883</u> | <u>7,386,419</u> |
| 5 UNSPENT CONDITIONAL GRANTS AND RECEIPTS | | | |
| Conditional Grants from other spheres of government | 26,046,342 | 21,665,834 | 22,997,543 |
| Department of Economical Development | 4,380,608 | - | - |
| MSIG | 465,359 | 465,359 | - |
| LED grants-water and sanitation | 12,148,000 | 12,148,000 | 18,673,000 |
| HIV/Aids grant | 305,443 | 305,443 | 2,164,644 |
| Bekkersdal urban renewal | 375,032 | 375,032 | 375,032 |
| MIG | 8,372,000 | 8,372,000 | 1,855,000 |
| Transition grant | - | - | 29,667 |
| Total conditional grants and receipts | <u>26,046,342</u> | <u>21,665,834</u> | <u>22,997,543</u> |
| 6 VALUE ADDED TAXATION | | | |
| Value added taxation receivable | <u>2,312,096</u> | <u>2,126,312</u> | <u>3,820,381</u> |
| Value added taxation is payable on the receipts basis. Once payment is received from debtors value added taxation is paid over to SARS. The West Rand Development Agency is registered for value added taxation since 17 March 2010. | | | |

7 PROPERTY, PLANT AND EQUIPMENT

7.1 Property, plant and equipment

| Group | Land and buildings R | Infra-structure R | Community R | Heritage R | Other R | Total R |
|---|-------------------------|----------------------|--------------------|----------------|---------------------|---------------------|
| Reconciliation of carrying value | | | | | | |
| Carrying value at 1 July 2009 | 46,923,256 | 2,533,022 | 9,992,080 | - | 11,148,288 | 70,596,646 |
| <i>Cost</i> | <i>94,502,074</i> | <i>2,727,408</i> | <i>9,992,080</i> | <i>-</i> | <i>26,671,370</i> | <i>133,892,932</i> |
| <i>Accumulated depreciation</i> | <i>(47,578,818)</i> | <i>(194,386)</i> | <i>-</i> | <i>-</i> | <i>(15,523,082)</i> | <i>(63,296,286)</i> |
| <i>Correction of error (cost) - note 19.1.5</i> | <i>(8,292,663)</i> | <i>15,122,032</i> | <i>(9,911,080)</i> | <i>4,298</i> | <i>7,766,889</i> | <i>4,689,476</i> |
| <i>Correction of error (depreciation) - note 19.1.6</i> | <i>11,756,422</i> | <i>(9,152,558)</i> | <i>-</i> | <i>(4,279)</i> | <i>(3,095,601)</i> | <i>(496,016)</i> |
| Restated balance 1 July 2009 | 50,387,015 | 8,502,496 | 81,000 | 19 | 15,819,576 | 74,790,106 |
| <i>Acquisitions</i> | <i>140,426</i> | <i>5,846,547</i> | <i>-</i> | <i>9,557</i> | <i>8,413,877</i> | <i>14,410,407</i> |
| <i>Corrections and transfers - cost</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>(84,601)</i> | <i>(84,601)</i> |
| <i>Depreciation</i> | <i>(2,067,567)</i> | <i>(762,839)</i> | <i>-</i> | <i>(365)</i> | <i>(9,010,789)</i> | <i>(11,841,560)</i> |
| <i>Corrections and transfers - depreciation</i> | <i>27,504</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>53,893</i> | <i>81,397</i> |
| Carrying value of disposals | - | - | - | - | - | - |
| <i>Cost</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>(1,175,370)</i> | <i>(1,175,370)</i> |
| <i>Accumulated depreciation</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>1,175,370</i> | <i>1,175,370</i> |
| Carrying value at 30 June 2010 | 48,487,378 | 13,586,204 | 81,000 | 9,211 | 15,191,956 | 77,355,749 |
| <i>Cost</i> | <i>86,349,837</i> | <i>23,695,987</i> | <i>81,000</i> | <i>13,855</i> | <i>41,592,165</i> | <i>151,732,844</i> |
| <i>Accumulated depreciation</i> | <i>(37,862,459)</i> | <i>(10,109,783)</i> | <i>-</i> | <i>(4,644)</i> | <i>(26,400,209)</i> | <i>(74,377,095)</i> |

Details of valuation

West Rand District municipality engaged the services of an independent consortium of specialist companies, I@consulting, Bigen Africa, Imqs and GLS during the financial year as an initial step to establish an asset register for all councils immovable PPE. The companies are not connected to the municipality.

Assets that provide a service, or form part of a network that provides a service, for which the municipality is functional responsible were valued on the basis of depreciated replacement cost(DRC). Replacement costs will be based on replacing the asset under consideration with a modern equivalent asset which has the same functional capacity. Based on a condition assessment an accumulated depreciation charge was determined to establish the asset carrying value for inclusion in the asset register. The DRC method was decided on because the initial values and age of assets were not available and the aggregated values could not easily be compared with market values. The DRC method are based on condition assessment which also lend itself to impairment testing at the detailed asset level.

The depreciated replacement cost (DRC) model has been adopted using the straight line deterioration method to reflect the consumption of economic benefit. The approach necessitates information on the expected useful life (EUL), residual value (RV), current replacement cost (CRC), and remaining useful life (RUL) of each of the asset components. The CRC is the product of a unit rate and the extent of the component and represents the cost of replacing the asset, and in cases where the existing asset is obsolete, the replacement with a modern equivalent. The depreciable portion of an asset is determined by subtracting the residual value from the CRC. The depreciated replacement cost (DRC) is established by proportionately reducing the depreciable portion based on the fraction of the remaining useful life over the expected useful life.

The valuation date was 30 June 2009.

7.2 Investment property

| | | |
|------------------------------------|------------------|------------------|
| Fair value | 2,560,000 | 2,560,000 |
| Total investment properties | 2,560,000 | 2,560,000 |

Revenue of R538 957 earned from the investment property(BP garage) is included in the statement of financial performance. Revaluation for investment property will be performed every 3 years due to costs involved.

7.3 Assets with zero values

Assets with zero values were corrected in 2010, and assets with a value less than R2000.00 are depreciated in the same year to a R1 value.

Fifty percent of similar asset values in the asset register were used as a basis to correct zero values. Where no comparisons could be found values were obtained from suppliers.

7 PROPERTY, PLANT AND EQUIPMENT

7.1 Property, plant and equipment

| WRDM | Land and Buildings R | Infra-structure R | Community R | Heritage R | Other R | Total R |
|---|----------------------|--------------------|--------------------|----------------|---------------------|---------------------|
| Reconciliation of carrying value | | | | | | |
| Carrying value at 1 July 2009 | 46,923,307 | 2,533,022 | 9,992,080 | - | 11,148,237 | 70,596,646 |
| Cost | 94,502,074 | 2,727,408 | 9,992,080 | - | 26,671,370 | 133,892,932 |
| Accumulated depreciation | (47,578,767) | (194,386) | - | - | (15,523,133) | (63,296,286) |
| Correction of error (cost) - note 19.1.5 | (8,292,663) | 15,122,032 | (9,911,080) | 4,298 | 7,766,889 | 4,689,476 |
| Correction of error (depreciation) - note 19.1.6 | 11,766,371 | (9,152,558) | - | (4,270) | (3,095,550) | (496,016) |
| Restated balance 1 July 2009 | 60,387,016 | 8,502,496 | 81,000 | 19 | 16,819,576 | 74,790,108 |
| Acquisitions | 140,426 | 5,846,547 | - | 9,557 | 6,330,755 | 12,327,285 |
| Corrections and transfers - cost | (15,763,838) | (5,979,773) | - | - | (1,684,939) | (23,428,550) |
| Depreciation | (1,901,092) | (609,379) | - | (365) | (8,851,140) | (11,361,976) |
| Corrections and transfers - depreciation | 3,781,127 | 3,553,451 | - | - | 1,483,042 | 8,817,620 |
| Carrying value of disposals | - | - | - | - | - | - |
| Cost | - | - | - | - | (1,175,370) | (1,175,370) |
| Accumulated depreciation | - | - | - | - | 1,175,370 | 1,175,370 |
| Carrying values at 30 June 2010 | 36,643,638 | 11,313,342 | 81,000 | 9,211 | 13,097,294 | 61,144,485 |
| Cost | 70,585,999 | 17,716,214 | 81,000 | 13,855 | 37,908,705 | 126,305,773 |
| Accumulated depreciation | (33,942,361) | (6,402,872) | - | (4,644) | (24,811,411) | (65,161,288) |

| WRDM | Land and Buildings R | Infra-structure R | Community R | Heritage R | Other R | Total R |
|---|----------------------|-------------------|------------------|------------|---------------------|---------------------|
| Reconciliation of carrying Value | | | | | | |
| Carrying value at 1 July 2008 | 23,524,958 | 2,762,807 | 1,475,298 | - | 10,048,180 | 37,801,243 |
| Cost | 28,131,296 | 3,182,421 | 1,475,298 | - | 19,909,879 | 52,698,894 |
| Investment assets | 608,201 | - | - | - | - | 608,201 |
| Accumulated depreciation | (5,214,539) | (429,614) | - | - | (9,861,699) | (15,505,852) |
| Revaluations | 24,613,884 | (214,358) | 8,516,782 | - | (28,809) | 32,887,499 |
| Cost | 63,759,398 | (533,093) | 8,516,782 | - | (63,164) | 71,679,923 |
| Accumulated depreciation | (39,145,514) | 318,735 | - | - | 34,355 | (38,792,424) |
| Correction of error (Cost) | - | - | - | - | 3,244,376 | 3,244,376 |
| Restated Balance 1 July 2008 | 48,138,642 | 2,538,449 | 9,992,080 | - | 10,019,371 | 70,688,742 |
| Acquisitions | 3,418,031 | 842,562 | - | - | 8,256,893 | 12,517,486 |
| Depreciation | (3,218,765) | (63,507) | - | - | (6,857,129) | (10,159,401) |
| Carrying value of disposals | 193,266 | 769,055 | - | - | (270,801) | 687,620 |
| Cost | 3,418,031 | 842,562 | - | - | (1,432,238) | 2,828,355 |
| Accumulated depreciation | (3,218,765) | (83,507) | - | - | 1,161,437 | (2,140,835) |
| Revaluation | (221,242) | (764,482) | - | - | - | (985,724) |
| Other movements depreciation | - | - | - | - | (46) | (46) |
| Carrying value at 30 June 2009 | 46,923,307 | 2,533,022 | 9,992,080 | - | 11,148,237 | 70,596,646 |
| Cost | 94,502,074 | 2,727,408 | 9,992,080 | - | 26,671,370 | 133,892,932 |
| Accumulated depreciation | (47,578,767) | (194,386) | - | - | (15,523,133) | (63,296,286) |

Details of valuation

West Rand District municipality engaged the services of an independent consortium of specialist companies, I@consulting, Bigen Africa, Imqs and GLS during the financial year as an initial step to establish an asset register for all councils immovable PPE. The companies are not connected to the municipality.

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The valuation date was 30 June 2009.

7.2 Investment property

| | | |
|------------------------------------|------------------|------------------|
| Fair value | 2,560,000 | 2,560,000 |
| Total investment properties | 2,560,000 | 2,560,000 |

Revenue of R538 957 earned from the investment property(BP garage) is included in the statement of financial performance. Revaluation for investment property will be performed every 3 years due to costs involved.

7.3 Assets with zero values

Assets with zero values were corrected in 2010, and assets with a value less than R2000.00 are depreciated in the same year to a R1 value.

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West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|--|--------------------|-------------------|-------------------|
| 8 LONG-TERM RECEIVABLES | | | |
| Internal learner ship | 239,843 | 239,843 | 147,586 |
| Less : Current portion transferred to current receivables | (9,707) | (9,707) | (55,916) |
| Total | 230,136 | 230,136 | 91,670 |
| Internal learner ship (study assistance employees WRDM). All monies are recovered when an applicant fails. | | | |
| 9 INVENTORY | | | |
| Consumable stores – at cost | 409,794 | 409,794 | 449,769 |
| Stock: raw materials | 12,928 | - | - |
| Total Inventory | 422,722 | 409,794 | 449,769 |
| 10 DEBTORS | | | |
| As at 30 June 2009 | | | |
| Other debtors | | | |
| Ambulance | 14,807,226 | 1,350,142 | 13,657,084 |
| Other | 4,614,988 | 4,160,499 | 364,487 |
| Total other debtors | 19,422,212 | 5,500,641 | 13,921,671 |
| As at 30 June 2010 | | | |
| 10.1 Debtors: property rates | | | |
| Property rates | 659,005 | 173,471 | 485,634 |
| 10.2 Other debtors | | | |
| Ambulance | 15,407,338 | 879,837 | 14,527,501 |
| Deposits paid | 78,616 | - | 78,616 |
| Salary advance-bonus payments | 6,608 | - | 6,608 |
| Other | 1,426,212 | 899,178 | 527,034 |
| Total other debtors | 16,917,772 | 1,779,015 | 15,138,757 |
| As at 30 June 2010 | | | |
| 10.1 Debtors: property rates | | | |
| Property rates | 659,005 | 173,471 | 485,634 |
| 10.2 Debtors: other | | | |
| Ambulance | 15,407,338 | 879,837 | 14,527,501 |
| Deposits paid | 78,616 | - | 78,616 |
| Salary advance-bonus payments | 6,608 | - | 6,608 |
| Other | 1,444,095 | 899,178 | 644,917 |
| Total other debtors | 16,935,655 | 1,952,488 | 15,156,640 |
| Property rates | | | |
| Current (0 – 30 days) | 249,455 | 249,455 | - |
| 31 - 60 Days | 114,182 | 114,182 | - |
| 61 - 90 Days | 40,988 | 40,988 | - |
| 91 - 120 Days | 116,600 | 116,600 | - |
| + 121 Days | 137,882 | 137,882 | - |
| Total | 659,005 | 659,005 | - |
| Property rates levied as from 1 July 2009 in the DMA area. | | | |
| Ambulance | 147,838 | 147,838 | 423,160 |
| Current (0 – 30 days) | 7,887,912 | 7,887,912 | 13,806,718 |
| 31 - 60 Days | 7,116,352 | 7,116,352 | 190,698 |
| 61 - 90 Days | 116,842 | 116,842 | 132,905 |
| 91 - 120 Days | 138,384 | 138,384 | 653,847 |
| + 121 Days | 15,407,338 | 15,407,338 | 14,907,226 |
| Total | 15,407,338 | 15,407,338 | 14,907,226 |
| Other | | | |
| Current (0 – 30 days) | 347,321 | 347,321 | 571,364 |
| 31 - 60 Days | 643,620 | 643,620 | 148,233 |
| 61 - 90 Days | 233,382 | 233,382 | 192,633 |
| 91 - 120 Days | 64,851 | 38,968 | 183,115 |
| + 121 Days | 264,921 | 264,921 | 3,439,741 |
| Total | 1,444,095 | 1,428,212 | 4,614,985 |
| The ambulance subsidy for the third and fourth quarter was not received, the amount of R14 627 600 is included in ambulance debtors. | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|--------------------|--------------------|
| 10.3 Reconciliation of the bad debts provision | | | |
| Balance beginning of the year | 5,600,641 | 5,600,641 | 12,166,614 |
| Contributions to provision | - | - | 848,464 |
| Bad debts written off against provision | - | - | (8,394,148) |
| Reversal of provision | (3,648,155) | (3,648,155) | (1,118,269) |
| Balance end of year | 1,952,486 | 1,952,486 | 6,500,641 |
| Amounts owed to ambulance debtors are in terms of the service level agreement with the Department of Health and provided for as bad debt. Amounts written-off refers to ambulance fees not collected and written-off. | | | |
| 10.4 Property rates | | | |
| Residential | 5,633,050 | 5,633,050 | - |
| Agricultural | 2,629,910 | 2,629,910 | - |
| Commercial | 1,045,108 | 1,045,108 | - |
| Total | 9,208,066 | 9,208,066 | - |
| Property rates levied as from the 1 July 2009 in the DMA area (farm properties). Property rates are levied in advance R685 125 (June 2010) for July 2010. | | | |
| Valuations | | | |
| Property valuations | | | |
| Residential | 646,680 | 646,680 | - |
| Agricultural | 629,695 | 629,595 | - |
| Commercial | 141,990 | 141,990 | - |
| Exempted | 5,600 | 5,600 | - |
| | 1,323,665 | 1,323,665 | - |
| 11 CALL INVESTMENT DEPOSITS | 77,474,874 | 72,619,713 | 99,131,645 |
| Other Deposits | | | |
| 12 CASH AND CASH EQUIVALENTS | | | |
| The District Municipality has the following bank account:- | | | |
| Standard Bank - Corporate account number 021307350 | | | |
| Primary account | | | |
| Cash book balance at beginning of year | 15,463,156 | 15,463,156 | 22,735,969 |
| Cash book balance at end of year | 50,600,491 | 50,600,491 | 15,463,156 |
| Bank statement balance at beginning of year | 15,522,407 | 15,522,407 | 22,805,315 |
| Bank statement balance at end of year | 50,669,167 | 50,669,167 | 15,522,407 |
| The entity has the following bank account:- | | | |
| Standard Bank - Corporate account services branch: account number 021480656 | | | |
| Primary account | | | |
| Cash book balance at beginning of year | - | - | - |
| Cash book balance at end of year | 683,970 | - | - |
| Bank statement balance at 1 August 2009 | 4,315 | - | - |
| Bank statement balance at end of year | 674,917 | - | - |
| Cash and cash equivalents | | | |
| Petty cash | 20,160 | 20,160 | 20,160 |
| Bank balance | 51,184,461 | 50,600,491 | 15,463,156 |
| Total bank and cash | 51,204,611 | 50,620,641 | 15,483,306 |
| 13 GOVERNMENT GRANTS AND SUBSIDIES | | | |
| Department of Economic Development | 2,044,492 | - | - |
| Equitable share | 12,473,174 | 12,473,174 | 10,357,000 |
| Finance management | 750,000 | 750,000 | 685,628 |
| HIV/AIDS grant | 1,859,100 | 1,859,100 | 3,536,953 |
| MSIG | 834,641 | 834,641 | 980,885 |
| Other | 26,763 | 26,763 | - |
| Provincial ambulance subsidies (agency services) | 28,417,500 | 28,417,500 | 28,777,250 |
| Provincial LED projects | 3,204 | 3,204 | - |
| RSC replacement grant | 128,898,589 | 128,898,589 | 113,098,423 |
| West Rand Development Agency subsidy | 3,417,177 | - | - |
| Total Government Grants and Subsidies | 176,724,640 | 171,262,971 | 155,436,139 |
| 13.1 Equitable Share | | | |
| In terms of the Constitution, this grant is used to subsidise the provision of services to Indigent community members. | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| 13.2 Department of Economical Development | | | |
| Balance unspent at beginning of year | - | - | - |
| Current year receipts | 4,380,608 | - | - |
| | <u>4,380,608</u> | <u>-</u> | <u>-</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| This grant is for a plastic recycling project whose aims are to contribute to a cleaner environment and job creation. The monies will be utilized for purchasing of plant and equipment, provision of allowances for identified cooperative members, skills development for cooperative members and establishment of buyback centres. | | | |
| 13.3 Provincial LEO projects | | | |
| Balance unspent at beginning of year | 3,204 | 3,204 | 3,204 |
| Conditions met - transferred to revenue | (3,204) | (3,204) | - |
| | <u>-</u> | <u>-</u> | <u>3,204</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| This grant was used to construct roads and sewerage infrastructure as part of the upgrading of informal settlement areas (included in the roads and sewerage votes in Appendix B). No funds have been withheld. | | | |
| 13.4 HIV/Aids grant | | | |
| Balance unspent at beginning of year | 2,164,544 | 2,164,544 | 1,001,497 |
| Current year receipts | - | - | 4,700,000 |
| Conditions met - transferred to revenue | (1,859,101) | (1,859,101) | (3,636,853) |
| | <u>305,443</u> | <u>305,443</u> | <u>2,164,544</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| This grant was used to finance the HIV/Aids campaigns at the WRDM and local municipalities. | | | |
| 13.5 Bekkersdal urban renewal | | | |
| Balance unspent at beginning of year | 375,032 | 375,032 | 375,032 |
| conditions still to be met - transferred to liabilities (see note 6) | <u>375,032</u> | <u>375,032</u> | <u>375,032</u> |
| This grant was used to finance the urban renewal programme on behalf of the Provincial Government, the outstanding amount is the retention on this project. | | | |
| 13.6 Other Conditional Grants | | | |
| Balance unspent at beginning of year | 26,763 | 26,763 | 71,390 |
| Current year receipts | - | - | 641,000 |
| Conditions met - transferred to revenue | (26,763) | (26,763) | (685,627) |
| | <u>-</u> | <u>-</u> | <u>26,763</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| These grants include balances of the FMG and Local Government transition grants and are used to finance expenditure according to the approved business plan. | | | |
| 13.7 MSIG | | | |
| Balance unspent at beginning of year | - | - | 245,885 |
| Current year receipts | 1,300,000 | 1,300,000 | 735,000 |
| Conditions met - transferred to revenue | (834,641) | (834,641) | (980,885) |
| | <u>465,359</u> | <u>465,359</u> | <u>-</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| This grant was utilised to finance expenditure of the implementation of the Property Rates Act and funding for the development of the IDP and performance management system. | | | |
| 13.8 MIG | | | |
| Balance unspent at beginning of year | 1,855,000 | 1,855,000 | 282,000 |
| Current year receipts | 6,617,000 | 6,617,000 | 1,673,000 |
| | <u>8,372,000</u> | <u>8,372,000</u> | <u>1,855,000</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| The Infrastructure grant is utilised to finance approved projects at the Local Municipalities. An amount of R3 213 239 was withheld as a result of MIG funding not spent. | | | |
| 13.9 LED | | | |
| Balance unspent at beginning of year | 18,573,000 | 18,573,000 | 18,573,000 |
| Conditions met - transferred to revenue | (8,425,000) | (8,425,000) | - |
| | <u>12,148,000</u> | <u>12,148,000</u> | <u>18,573,000</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| The Infrastructure grant is utilised to finance water and sanitation projects at the DMA. | | | |
| Total unspent conditional grants (note 6) | <u>26,046,342</u> | <u>21,665,834</u> | <u>22,997,643</u> |
| 14 EMPLOYEE RELATED COSTS | | | |
| Employee related costs - salaries and wages | 53,593,726 | 51,579,164 | 46,029,001 |
| Employee related costs - contributions to uif, pensions and medical aids | 14,859,218 | 14,859,218 | 12,306,614 |
| Travel, motor car, accommodation, subsistence and other allowances | 15,653,309 | 15,653,309 | 13,692,808 |
| Housing benefits and allowances | 924,971 | 924,971 | 1,008,687 |
| Overtime payments | 8,994,052 | 8,994,052 | 7,070,806 |
| Performance bonus contribution | 673,270 | 673,270 | 358,280 |
| | <u>94,698,646</u> | <u>92,583,984</u> | <u>80,464,998</u> |
| Total employee related costs | | | |
| There were no advances to employees. | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| Remuneration of the Municipal manager | | | |
| Annual remuneration | 1,056,199 | 1,056,199 | 934,689 |
| Performance bonuses | - | - | - |
| Total | 1,056,199 | 1,056,199 | 934,689 |
| Remuneration of the Chief financial officer | | | |
| Annual remuneration | 917,844 | 917,844 | 812,250 |
| Performance bonuses | 63,524 | 53,524 | - |
| Total | 971,368 | 971,368 | 812,250 |
| Remuneration of the Chief operational officer | | | |
| Annual remuneration | 917,844 | 917,844 | 812,250 |
| Performance bonuses | - | - | - |
| Total | 917,844 | 917,844 | 812,250 |
| Remuneration of the Chief executive officer - WRDA | | | |
| Annual remuneration | 703,950 | - | - |
| Performance bonuses | - | - | - |
| Total | 703,950 | - | - |
| Remuneration of individual executive directors | | | |
| 15 REMUNERATION OF COUNCILLORS | | | |
| Executive mayor | 577,198 | 577,198 | 568,675 |
| Speaker | 478,120 | 478,120 | 446,844 |
| Mayoral committee members | 2,857,979 | 2,857,979 | 2,246,900 |
| Councillors | 2,615,308 | 2,615,308 | 2,031,521 |
| Total councillors remuneration | 6,528,603 | 6,528,603 | 6,293,940 |
| In-kind benefits | | | |
| The executive mayor, chief whip, speaker and mayoral committee members are full-time. Each is provided with an office and secretarial support at the cost of the council. | | | |
| The executive mayor is entitled to stay at the mayoral residence owned by council at no cost. The executive mayor has use of a council owned vehicle for official duties. | | | |
| The executive mayor has two full-time bodyguards. | | | |
| 16 GENERAL EXPENDITURE | | | |
| CCTV surveillance | 6,126,316 | 6,126,316 | - |
| Deepening democracy | - | - | 1,766,732 |
| Entertainment | 1,068,745 | 1,078,015 | 796,397 |
| External audit fees | 1,235,180 | 1,235,180 | 1,126,728 |
| Insurance premium/excess payments | 1,094,101 | 1,094,101 | 1,818,121 |
| Landscapeing | 1,098,522 | 1,098,522 | 25,704 |
| Lease equipment - operational cost | 2,141,004 | 2,141,004 | 1,651,786 |
| Levies: electricity/water/sewerage/refuse | 2,109,126 | 1,984,238 | 2,381,241 |
| Other cost | 8,054,665 | 7,917,551 | 8,827,215 |
| Professional fees | 14,130,133 | 13,699,107 | 13,708,628 |
| Projects infrastructure | - | - | 2,685,856 |
| Security services | 1,382,444 | 828,359 | 1,308,697 |
| Soccer 2010 world cup | 2,711,019 | 2,711,019 | - |
| Special programmes | 6,631,369 | 6,631,369 | 5,345,213 |
| Stock and material | 1,292,619 | 1,175,276 | 1,116,448 |
| Telephone cost/internet line/data cards | 2,177,659 | 2,076,880 | 1,876,100 |
| Training employees/Levy | 1,699,416 | 1,699,416 | 1,757,789 |
| Uniforms | 1,029,358 | 1,029,358 | 516,472 |
| Vehicles : fuel | 1,093,165 | 1,093,165 | 1,313,811 |
| | 63,992,739 | 62,417,872 | 47,889,948 |
| 16.1 Payment to board members: | | | |
| Chairperson | 101,288 | - | - |
| Board members | 283,877 | - | - |
| Total | 385,165 | - | - |
| The board consists of a chairperson and 8 board members and is remunerated when attending a meeting. | | | |
| 17 OTHER INCOME | | | |
| Insurance claims | 505,403 | 505,403 | 187,892 |
| Sale of redundant assets/ refuse bags | 118,719 | - | 322,946 |
| Sundry revenue | 1,269,784 | 1,269,784 | - |
| Training: SETA | 433,601 | 433,601 | - |
| Other | 253,871 | 108,602 | 6,401,662 |
| | 2,581,278 | 2,317,290 | 6,912,490 |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|--|--------------------|-------------------|-------------------|
| 18 INTEREST PAID | | | |
| Long-term liabilities | 1,425,288 | 1,425,288 | 1,636,337 |
| Total Interest on external borrowings | <u>1,425,288</u> | <u>1,425,288</u> | <u>1,636,337</u> |
| 19.1 CORRECTION OF ERROR | | | |
| 19.1.1 Government grant reserve | | | |
| Balance previously reported | 20,385,558 | | |
| Correction of asset value | 373,167 | | |
| Correction of depreciation value | (49,756) | | |
| Government grant balance restated | <u>20,688,969</u> | | |
| Donated vehicle and fire equipment received from province for the use of fire prevention. | | | |
| 19.1.2 Revaluation reserve | | | |
| Balance previously reported | 32,687,449 | | |
| Correction (land) | 2,016,000 | | |
| Revaluation reserve balance restated | <u>34,903,449</u> | | |
| Land value DMA area. | | | |
| 19.1.3 Long-term Liabilities | | | |
| Balance previously reported | 6,595,581 | | |
| Correction - cell phones | (8,000) | | |
| Correction - vehicles | 17,808 | | |
| Long-term liabilities balance restated | <u>6,607,389</u> | | |
| Balance corrections on cell phone and vehicle leases. | | | |
| 19.1.4 Creditors | | | |
| Balance previously reported | 6,404,221 | | |
| Correction | 982,198 | | |
| Creditors balance restated | <u>7,386,419</u> | | |
| Correction on leased fire vehicles - three instalments to Marce Fire R869 080. Salary advances now disclosed as debtors and not net movement in creditors R30 408, payments received in advance R82 711. | | | |
| 19.1.5 Assets | | | |
| Balance previously reported | 133,892,832 | | |
| Revaluation | 4,689,476 | | |
| Assets balance restated | <u>138,582,408</u> | | |
| Correction of zero assets values (furniture, computer equipment, vehicles, plant and equipment). | | | |
| 19.1.6 Depreciation | | | |
| Balance previously reported | 63,295,287 | | |
| Correction | 498,015 | | |
| Depreciation balance restated | <u>63,792,302</u> | | |
| Correction of zero assets depreciation values (furniture, computer equipment, vehicles, plant and equipment). | | | |
| 19.1.7 Debtors | | | |
| Balance previously reported | 13,812,247 | | |
| Correction (disclosure) | 109,324 | | |
| Debtors balance restated | <u>13,921,571</u> | | |
| Correction: disclosure of salary advances R30 408, deposits paid R78 016 and other debtors R900. | | | |
| 19.1.8 Value added taxation | | | |
| Balance previously reported | 3,811,358 | | |
| Correction (vat audit) | 9,005 | | |
| Value added taxation balance restated | <u>3,820,361</u> | | |
| Value added taxation audit undertaken by Max Prof, adjustment of differences. | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| 19.2 Impact on statement of net assets | | | |
| Previously reported | | | 60,694,687 |
| Correction of error statement of financial performance (19.2.2) | | | 66,810 |
| Correction of error accumulated surplus | | | 911,563 |
| Adjustment zero assets | | | 916,687 |
| Adjustment depreciation donated assets | | | 49,758 |
| Adjustment accounting errors | | | (53,660) |
| Accumulated surplus for the year 30 June 2009 restated balance | | | <u>61,673,050</u> |
| 19.2.2 Impact on statement of financial performance | | | 24,318,239 |
| Previously reported | | | 66,810 |
| Correction of errors | | | 7,050 |
| Adjustment revenue services charges | | | (14,294) |
| Adjustment salaries | | | 65,049 |
| Adjustment depreciation | | | 9,005 |
| Adjustment general expenditure | | | <u>24,385,049</u> |
| Surplus for the year 30 June 2009 restated balance | | | |
| 19.3 CHANGE IN ACCOUNTING POLICY | | | |
| Implementation of GRAP 17 | | | |
| 19.3.1 Assets | | | |
| Assets donated to West Rand Development Agency | 23,340,779 | - | - |
| Overstatement of asset value (chairs) | (7,814) | - | - |
| Values: zero assets (computer, scale) | 1,684 | - | - |
| Adjustment of assets values | <u>23,340,849</u> | <u>-</u> | <u>-</u> |
| 19.3.2 Depreciation | | | |
| Assets donated to West Rand Development Agency | (8,743,052) | - | - |
| Overstatement of depreciation value | 8,829 | - | - |
| Adjustment of depreciation value | <u>(8,736,223)</u> | <u>-</u> | <u>-</u> |
| 19.3.3 Impact on statement of net assets | | | |
| Assets | (5,930) | - | - |
| Depreciation | 6,829 | - | - |
| Total correction of error | <u>899</u> | <u>-</u> | <u>-</u> |
| Adjustment of asset and depreciation values. | | | |
| 20 CASH GENERATED BY OPERATIONS | | | |
| Surplus/(deficit) for the year | 10,019,214 | 8,385,880 | 24,385,049 |
| Adjustment for: | | | |
| Depreciation | 11,841,560 | 11,361,976 | 10,094,603 |
| Gain/loss on disposal of property, plant and equipment | - | - | (270,801) |
| Other transfers (prev yr errors) | 184,239 | 184,239 | (1,070,090) |
| Contribution to provisions/reserves - non-current | 18,182,618 | 18,182,618 | (6,559,825) |
| Interest paid | 1,425,288 | 1,425,288 | 1,638,337 |
| Investment Income | (10,238,716) | (9,888,655) | (12,950,535) |
| Operating surplus before working capital changes: | <u>31,414,203</u> | <u>29,651,426</u> | <u>16,265,638</u> |
| (Increase)/Decrease in Inventories | (52,903) | (39,976) | 38,948 |
| (Increase)/decrease in debtors: property | (485,634) | (485,634) | - |
| (Increase)/decrease in debtors: other | (1,420,853) | (1,217,186) | (9,810,120) |
| (Increase)/decrease in value added taxation receivable | 1,694,049 | 1,694,049 | (64,789) |
| (Increase)/decrease in current portion of long-term debtors | 48,209 | 48,209 | 149,977 |
| Increase/(decrease) in other provisions & reserves | (17,584,344) | (17,584,344) | 7,266,385 |
| (Decrease)/increase in unspent conditional grants and receipts | 3,048,799 | (1,331,709) | 21,018,635 |
| (Decrease)/increase in value added taxation | - | - | (419,138) |
| (Decrease)/increase in creditors | 5,645,367 | 4,397,444 | (1,185,985) |
| Other adjustments | 38,138 | 38,138 | 65,498 |
| Cash generated by/(utilised in) operations | <u>22,343,131</u> | <u>15,168,618</u> | <u>32,301,945</u> |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|--|--------------------|--------------------|--------------------|
| 21 CASH AND CASH EQUIVALENTS | | | |
| Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position : | | | |
| Bank balances and cash | 51,202,641 | 50,620,641 | 15,483,303 |
| Call investment deposits | 77,474,874 | 72,619,713 | 99,131,645 |
| Total cash and cash equivalents | <u>128,679,485</u> | <u>123,240,354</u> | <u>114,614,951</u> |
| 22 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION | | | |
| Long-term liabilities (see Note 2) | 13,455,274 | 13,455,274 | 16,725,331 |
| Used to finance property, plant and equipment – local municipalities | 13,455,274 | 13,455,274 | 16,725,331 |
| Total | <u>-</u> | <u>-</u> | <u>-</u> |
| Long-term liabilities have been utilised to finance assets on behalf of the Local Municipalities and these assets are not included in the asset register of the District Municipality. | | | |
| 23 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT | | | |
| 23.1 Contributions to organised local government | | | |
| Opening balance | 509,684 | 509,684 | 403,397 |
| Council subscriptions | (509,684) | (509,684) | (403,397) |
| Amount paid - current year | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> | <u>-</u> |
| 23.2 Audit fees | | | |
| Opening balance | 1,408,105 | 1,408,105 | 1,126,728 |
| Current year audit fee | (1,408,105) | (1,408,105) | (1,126,728) |
| Amount paid - current year | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> | <u>-</u> |
| 23.3 VALUE ADDED TAXATION | | | |
| Value added taxation inputs received and value added taxation outputs received are shown in note 6. All value added taxation returns have been submitted by the due date throughout the year. | | | |
| 23.4 PAYE and UIF | | | |
| Opening balance | 14,707,084 | 14,337,414 | 12,007,055 |
| Current year payroll deductions | (14,707,084) | (14,337,414) | (12,007,055) |
| Amount paid - current year | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> | <u>-</u> |
| 23.5 Pension and medical aid deductions | | | |
| Opening balance | 23,198,398 | 23,198,398 | 18,607,120 |
| Current year payroll deductions and Council Contributions | (23,198,398) | (23,198,398) | (18,607,120) |
| Amount paid - current year | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> | <u>-</u> |
| 24 CAPITAL COMMITMENTS | | | |
| Commitments in respect of capital expenditure: | | | |
| Approved and contracted for :- | | | |
| Infrastructure | 14,173,400 | 14,173,400 | 23,821,590 |
| Community | 12,637,660 | 12,637,660 | 2,072,000 |
| Other | 4,679,000 | 2,788,000 | - |
| Total | <u>31,489,960</u> | <u>29,698,960</u> | <u>25,893,590</u> |
| This expenditure will be financed from: | | | |
| Government grants | 14,039,000 | 12,148,000 | 4,376,000 |
| Own resources | 17,450,960 | 17,450,960 | 21,517,590 |
| Total | <u>31,489,960</u> | <u>29,698,960</u> | <u>25,893,590</u> |
| 25 RETIREMENT BENEFIT INFORMATION | | | |
| Most councillors and employees belong to 3 defined benefit retirement funds, administered by the different administrators. These funds are subject to a triennial actuarial valuation. The last valuation was performed in 2008. These valuations indicate that the funds are in a sound financial position. | | | |
| An amount of R14,3m was contributed by council in respect of councillors and employees retirement funding. These contributions have been expensed. | | | |
| 26 EVENTS AFTER THE REPORTING DATE | | | |
| Merafong fire department transferred to West Rand District Council as from 1 July 2010. | | | |
| Merafong flora transferred from Dr Kenneth Kaunda District Municipality to the WRDM as from 1 July 2010. | | | |
| 27 COMPARISON WITH THE BUDGET | | | |
| The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexure E(1) and E(2). | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| 28 LEASES | | | |
| The Municipality complies with the general recognised accounting practise on leases (GRAP 13). None of the operating lease agreements provide for any escalation and the lease payments therefore remain the same for the lease period. No additional disclosure in this regard is included for the above reason. | | | |
| The total of future minimum lease payments under non-cancellable finance leases for each of the following periods: | | | |
| (i) Not later than one year; | 3,139,094 | 3,117,631 | 570,648 |
| (ii) Later than one year and not later than five years; | 2,223,499 | 2,223,499 | 6,024,935 |
| (iii) Later than five years. | | | |
| 29 DEVIATIONS FROM PROCUREMENT PROCESSES | | | |
| Deviations from official procurement processes to the value of R3 645 822 occurred during the 2009/2010 financial period. | | | |
| 30 RISK MANAGEMENT | | | |
| 30.1 Maximum Credit Risk Exposure | | | |
| Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The municipality only invest with the four major banks with high quality credit standing and limits exposure to any counter-party. | | | |
| Absa Bank | 18,155,046 | 18,155,046 | 38,430,183 |
| Standard Bank | 23,010,918 | 18,155,767 | 11,136,566 |
| First National Bank | 18,155,046 | 18,155,046 | 11,136,566 |
| Nedbank | 18,153,884 | 18,153,884 | 38,428,350 |
| Total | 77,474,874 | 72,619,713 | 99,131,645 |
| 30.2 Liquidity risk | | | |
| The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments. Cash flow forecasts are prepared monthly and adequate funds are made available for commitments. | | | |
| Gross finance lease obligations | 6,362,693 | 5,341,130 | 5,607,389 |
| Borrowings -DBSA loans | 13,455,274 | 13,455,274 | 15,725,331 |
| 30.3 Interest Rate Risk | | | |
| As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates as are substantially of changes in market interest rates. | | | |
| 31 RELATED PARTIES | | | |
| To the best of the WRDMs knowledge and taking into account all disclosures made, no councillor or official has any direct or indirect personal or private business in any matter before the council, or acquired or stand to acquire any direct benefit from a contract concluded with the municipality. | | | |
| 32 SHAREHOLDING | | | |
| Name | % of holding | | |
| West Rand Development Agency | 100 | | |
| The WRDA was established as an entity on the 1 October 2009 and only in operation at 1 August 2009. There was no changes in the shareholding from 1 August 2009 to 31 January 2010. | | | |
| 32.1 Shareholding premium | | | |
| Assets were contributed by the WRDM for the establishment of the entity. | | 14,678,528 | * |
| 33 IRREGULAR EXPENDITURE | | | |
| Reconciliation of irregular expenditure: | | | |
| Opening balance | 503,746 | 503,746 | - |
| Irregular expenditure incurred during the year | - | - | 503,746.00 |
| Condoned or written off by Council | - | - | - |
| Closing balance | 603,746 | 603,746 | 503,746.00 |
| Incident: Non adherence to supply chain procedures. | | | |
| 34 CONTINGENT LIABILITIES | | | |
| Outstanding salary claims against council | | 68,740 | 68,740 |
| J Jordaan | | | |
| Arbitration award for two months salary to the amount of R68 740 as a result of a dispute referred to the Bargaining Council. | | | |
| NO Blaaf | | | |
| Not appointed as Internal auditor. Dispute referred to the Bargaining Council (amount unknown). | | | |
| RJ Mokoto | | | |
| Compensation for suspension more than three months, matter referred to the Bargaining Council (amount unknown). | | | |
| 35 Revenue forgone | | | |
| In terms of the Municipal Property Rates Act 6 of 2004, newly rateable properties must be phased in over a period of three financial years, in accordance to Section 21 of the Act. | | | |
| In the first year, be at least 75 per cent of the rate for that year otherwise applicable to the property; | | | |
| In the second year, be at least 60 per cent of the rate for that year otherwise applicable to the property; and | | | |
| In the third year, be at least 25 per cent of the rate for that year otherwise applicable to the property; | | | |

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX A
Schedule of External Loans

| Group External borrowings | Loan number | Redeemable | Balance at 30 June 2009 R | Received during the period R | Redeemed written off during the period R | Balance at 30 June 2010 R |
|----------------------------------|----------------|------------|---------------------------------|---------------------------------------|--|---------------------------------|
| Annuity loans | | | | | | |
| DBSA loan 10% | LRF0002 | 2014-09-30 | 979,125 | - | (141,343) | 837,782 |
| DBSA loan 10% | LRF0003 | 2014-09-30 | 3,379,258 | - | (487,819) | 2,891,439 |
| DBSA loan 10% | LRF0004 | 2014-09-30 | 6,790,329 | - | (980,230) | 5,810,099 |
| DBSA loan 10% | LRF0005 | 2014-09-30 | 3,357,133 | - | (484,625) | 2,872,508 |
| DBSA loan 10% | LRF0006 | 2014-09-30 | 577,014 | - | (83,295) | 493,719 |
| DBSA loan 10% | 9499/2 | 2014-09-30 | 642,472 | - | (92,745) | 549,727 |
| | | | 15,725,331 | - | (2,270,057) | 13,455,274 |
| MTN cell phone contracts | | | 781,595 | 284,785 | (636,906) | 429,474 |
| Standard Bank lease vehicles | | | 4,389,068 | 4,146,457 | (3,741,596) | 4,793,929 |
| Zevoli rentals | | | 436,726 | 191,133 | (488,669) | 139,190 |
| | | | 5,607,389 | 4,622,375 | (4,867,171) | 5,362,593 |
| Total external borrowings | | | 21,332,720 | 4,622,375 | (7,137,228) | 18,817,867 |
| | | | | | | |

| WRDM External borrowings | Loan number | Redeemable | Balance at 30 June 2009 R | Received during the period R | Redeemed written off during the period R | Balance at 30 June 2010 R |
|----------------------------------|----------------|------------|---------------------------------|---------------------------------------|--|---------------------------------|
| Annuity loans | | | | | | |
| DBSA loan 10% | LRF0002 | 2014-09-30 | 979,125 | - | (141,343) | 837,782 |
| DBSA loan 10% | LRF0003 | 2014-09-30 | 3,379,258 | - | (487,819) | 2,891,439 |
| DBSA loan 10% | LRF0004 | 2014-09-30 | 6,790,329 | - | (980,230) | 5,810,099 |
| DBSA loan 10% | LRF0005 | 2014-09-30 | 3,357,133 | - | (484,625) | 2,872,508 |
| DBSA loan 10% | LRF0006 | 2014-09-30 | 577,014 | - | (83,295) | 493,719 |
| DBSA loan 10% | 9499/2 | 2014-09-30 | 642,472 | - | (92,745) | 549,727 |
| | | | 15,725,331 | - | (2,270,057) | 13,455,274 |
| MTN cell phone contracts | | | 781,595 | 242,476 | (616,060) | 408,011 |
| Standard Bank lease vehicles | | | 4,389,068 | 4,146,457 | (3,741,596) | 4,793,929 |
| Zevoli rentals | | | 436,726 | 191,133 | (488,669) | 139,190 |
| | | | 5,607,389 | 4,580,066 | (4,846,325) | 5,341,130 |
| Total external borrowings | | | 21,332,720 | 4,580,066 | (7,116,382) | 18,796,404 |
| | | | | | | |

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX B
Analysis of Property, Plant and Equipment

| Group | Cost/Revaluation | | | | | Accumulated Depreciation | | | | | Carrying value | Budget | | |
|----------------------------|--------------------|----------------------------|-------------------|--------------------|-------------------------|--------------------------|---------------------|----------------------------|---------------------|------------------|-------------------------|---------------------|-------------------|-------------------|
| | Opening balance | Restated balance June 2009 | Additions | Disposals | Transfers & corrections | Closing balance | Opening balance | Restated balance June 2009 | Additions | Disposals | Transfers & corrections | Closing balance | | |
| Buildings | | | | | | | | | | | | | | |
| Land and buildings | 94,502,074 | 86,209,411 | 140,426 | - | - | 86,349,837 | (47,578,767) | (35,822,396) | (2,067,567) | - | 27,504 | (37,862,459) | 48,487,378 | |
| | 94,502,074 | 86,209,411 | 140,426 | - | - | 86,349,837 | (47,578,767) | (35,822,396) | (2,067,567) | - | 27,504 | (37,862,459) | 48,487,378 | |
| Infrastructure | | | | | | | | | | | | | | |
| Drains | - | 909,900 | - | - | - | 909,900 | - | (655,128) | -18,198 | - | - | (673,326) | 236,574 | |
| Roads | - | 5,957,723 | 5,746,302 | - | - | 11,704,025 | - | (3,725,269) | (65,184) | - | - | (3,790,453) | 7,913,572 | |
| Water mains & purification | 2,391,576 | 2,391,576 | 100,245 | - | - | 2,491,821 | (63,228) | (63,228) | - | - | - | (214,423) | 2,277,398 | |
| Pedestrian facilities | - | 166,400 | - | - | - | 166,400 | - | (116,480) | (16,640) | - | - | (133,120) | 33,280 | |
| Security measures | 335,832 | 8,423,841 | - | - | - | 8,423,841 | (131,158) | (4,786,839) | (511,622) | - | - | (5,298,461) | 3,125,380 | |
| | 2,727,408 | 17,849,440 | 5,846,547 | - | - | 23,695,987 | (194,386) | (9,346,944) | (762,839) | - | - | (10,109,783) | 13,586,204 | |
| Community assets | | | | | | | | | | | | | | |
| Recreation grounds | 9,911,080 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Cemeteries | 81,000 | 81,000 | - | - | - | 81,000 | - | - | - | - | - | 81,000 | - | |
| | 9,992,080 | 81,000 | - | - | - | 81,000 | - | - | - | - | - | 81,000 | - | |
| Heritage Assets | | | | | | | | | | | | | | |
| Paintings & art galleries | - | 4,298 | 9,557 | - | - | - | 13,855 | - | (4,279) | (365) | - | (4,644) | 9,211 | |
| | - | 4,298 | 9,557 | - | - | - | 13,855 | - | (4,279) | (365) | - | (4,644) | 9,211 | |
| Other Assets | | | | | | | | | | | | | | |
| Computer equipment | 4,403,585 | 960,224 | - | - | - | 500 | 5,364,309 | - | (2,957,933) | (1,212,275) | - | (4,170,208) | 1,194,101 | |
| Emergency equipment | 2,513,523 | 587,331 | - | - | - | - | 3,100,854 | (3,735,164) | (1,174,826) | (500,744) | - | (1,675,570) | 1,425,284 | |
| Fire engines | 8,348,752 | - | - | - | - | 8,348,752 | - | (3,691,602) | (2,516,947) | - | (6,208,549) | 2,140,203 | - | |
| Furniture & fittings | 3,455,319 | 177,904 | - | - | (8,933) | 3,624,290 | (1,844,567) | (2,047,421) | (842,342) | - | 6,829 | (2,882,934) | 741,356 | |
| Motor vehicles | 1,379,538 | 907,486 | - | - | - | 907,486 | (833,960) | (505,826) | (184,184) | - | 5,405 | (684,605) | 222,881 | |
| Office equipment | 7,969,429 | 4,275,941 | - | - | - | 82,329 | 4,358,270 | (5,407,008) | (2,374,606) | (817,179) | - | (3,191,785) | 1,166,485 | 4,000 |
| Other transport | 20,340 | 20,340 | - | - | - | 20,340 | - | (11,525) | (1,356) | - | - | (12,881) | 7,459 | - |
| Plant & equipment | 3,383,777 | 5,767,865 | 2,278,574 | - | 1,184 | 8,047,623 | (2,277,336) | (3,371,096) | (767,749) | - | - | (4,138,845) | 3,908,778 | 3,804,600 |
| | 22,386,276 | 29,692,811 | 4,004,033 | - | 75,080 | 33,771,924 | (14,109,560) | (16,134,835) | (6,842,776) | - | 12,234 | (22,965,377) | 10,806,547 | 6,962,400 |
| Leased assets | | | | | | | | | | | | | | |
| | 4,285,094 | 4,745,448 | 4,409,844 | (1,175,370) | (159,681) | 7,820,241 | (1,413,573) | (2,483,848) | (2,168,013) | 1,175,370 | 41,659 | (3,434,832) | 4,385,409 | 4,397,000 |
| | 4,285,094 | 4,745,448 | 4,409,844 | (1,175,370) | (159,681) | 7,820,241 | (1,413,573) | (2,483,848) | (2,168,013) | 1,175,370 | 41,659 | (3,434,832) | 4,385,409 | 4,397,000 |
| TOTAL | 133,892,932 | 138,582,408 | 14,410,407 | (1,175,370) | (84,601) | 151,732,844 | (63,296,286) | (63,792,302) | (11,841,560) | 1,175,370 | 81,397 | (74,377,095) | 77,355,749 | 38,704,360 |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

APPENDIX B
Analysis of Property, Plant and Equipment

| WRDM | Cost/Revaluation | | | | | Accumulated Depreciation | | | | | Carrying value | Budget | | | |
|--------------------------------------|--------------------|----------------------------|-------------------|---------------------|--------------------|--------------------------|--------------------|---------------------|----------------------------|---------------------|-------------------|------------------|-------------------------|---------------------|-------------------|
| | Opening balance | Restated balance June 2009 | Additions | Transfers to WRDA | Disposals | Transfers & corrections | Closing balance | Opening balance | Restated balance June 2009 | Additions | Transfers to WRDA | Disposals | Transfers & corrections | | |
| Buildings | | | | | | | | | | | | | | | |
| Land and buildings | 94,502,074 | 86,209,411 | 140,426 | (15,763,838) | - | - | 70,585,999 | (47,578,767) | (35,822,396) | (1,901,092) | 3,753,623 | - | 27,504 | (33,942,361) | 36,643,638 |
| Buildings | 94,502,074 | 86,209,411 | 140,426 | (15,763,838) | - | - | 70,585,999 | (47,578,767) | (35,822,396) | (1,901,092) | 3,753,623 | - | 27,504 | (33,942,361) | 36,643,638 |
| Infrastructure | | | | | | | | | | | | | | | |
| Drains | - | 909,900 | - | - | - | - | 909,900 | - | - | - | - | - | - | | |
| Roads | - | 5,957,723 | 5,746,302 | (1,683,600) | - | - | 10,020,425 | - | (655,128) | -18,198 | - | - | - | | |
| Water mains & purification | 2,391,576 | 2,391,576 | 100,245 | - | - | - | 2,491,821 | (63,228) | (3,725,289) | (51,501) | 1,051,171 | - | - | | |
| Pedestrian facilities | - | 186,400 | - | - | - | - | 166,400 | - | (116,480) | (16,640) | - | - | - | | |
| Security measures | 335,832 | 8,423,841 | - | (4,296,173) | - | - | 4,127,688 | (131,158) | (4,786,859) | (371,845) | 2,502,280 | - | - | | |
| Community assets | 2,727,408 | 17,819,440 | 5,846,547 | (5,379,773) | - | - | 17,716,214 | (194,386) | (9,346,944) | (609,379) | 3,553,451 | - | - | (6,402,872) | 11,313,342 |
| Recreation grounds | 9,911,080 | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Cemeteries | 81,000 | 81,000 | - | - | - | - | 81,000 | - | - | - | - | - | - | | |
| Heritage Assets | 9,932,080 | 81,000 | - | - | - | - | 81,000 | - | - | - | - | - | - | | |
| Paintings & art galleries | | | | | | | | | | | | | | | |
| - | 4,298 | 9,557 | - | - | - | - | 13,855 | - | (4,279) | (365) | - | - | - | | |
| - | 4,298 | 9,557 | - | - | - | - | 13,855 | - | (4,279) | (365) | - | - | - | | |
| Other Assets | | | | | | | | | | | | | | | |
| Computer equipment | - | 4,403,585 | 934,529 | (28,477) | - | - | 62,328 | 5,391,966 | (2,957,933) | (1,199,777) | 11,056 | - | - | | |
| Emergency equipment | 6,394,982 | 2,513,523 | 587,331 | - | - | - | 3,100,864 | (3,735,164) | (1,174,826) | (500,744) | - | - | - | | |
| Fire engines | - | 8,348,752 | - | - | - | - | 8,348,752 | (3,691,602) | (2,516,947) | (603,332) | 28,700 | - | - | | |
| Furniture & fittings | 3,288,210 | 3,455,319 | 177,904 | (129,845) | - | - | 3,502,059 | (1,844,567) | (2,047,421) | (505,826) | (184,184) | - | - | | |
| Motor vehicles | 1,379,538 | 907,486 | - | (22,035) | - | - | 907,486 | (833,960) | (5,407,008) | (2,374,606) | (814,307) | 3,410 | - | | |
| Office equipment | 7,989,429 | 4,275,941 | - | (20,340) | - | - | 20,340 | 4,255,906 | (11,525) | (1,356) | (1,371,096) | - | - | | |
| Other transport | 20,340 | 5,767,865 | 234,082 | (1,395,463) | - | - | 4,606,84 | (2,277,336) | (682,250) | (1,390,664) | (609,560) | - | - | | |
| Plant & equipment | 3,383,777 | 29,892,811 | 1,933,846 | (1,575,320) | - | - | 81,010 | 30,131,847 | (14,109,560) | (16,134,835) | (6,702,897) | 1,433,829 | 5,405 | (21,398,488) | 8,733,348 |
| Leased assets | 4,285,094 | 4,745,448 | 4,396,909 | (27,348) | (1,175,370) | - | 7,776,858 | (1,413,573) | (2,483,848) | (2,148,243) | 2,149 | 1,175,370 | 41,659 | (3,412,913) | 4,363,945 |
| Leased assets | 4,285,094 | 4,745,448 | 4,396,909 | (27,348) | (1,175,370) | - | 7,776,858 | (1,413,573) | (2,483,848) | (2,148,243) | 2,149 | 1,175,370 | 41,659 | (3,412,913) | 4,363,945 |
| TOTAL | 133,392,932 | 138,582,408 | 12,327,285 | (23,346,779) | (1,175,370) | (81,771) | 126,305,773 | (63,396,286) | (63,732,302) | (11,361,976) | 8,743,052 | 1,175,370 | 74,568 | (65,161,288) | 61,144,485 |
| | | | | | | | | | | | | | | | |

WEST RAND DISTRICT MUNICIPALITY
 Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX C

Segmental analysis of Property, Plant and Equipment

| Group | Opening balance | Restated balance June 2009 | Cost/revaluation | | | Accumulated depreciation | | | Carrying value | Budget |
|------------------------|--------------------|----------------------------|-------------------|--------------------|-------------------------|--------------------------|---------------------|----------------------------|---------------------|-------------------|
| | | | Additions | Disposals | Transfers & corrections | Closing balance | Opening balance | Restated balance June 2009 | | |
| Executive & council | 4,332,472 | 790,291 | (400,575) | 85,226 | 4,807,412 | (1,986,196) | (2,111,003) | (1,489,463) | 74,568 | 207,100 |
| Finance & admin | 57,173,775 | 1,571,011 | (161,936) | (37,694) | 58,797,160 | (31,448,229) | (3,773,446) | (3,587,174) | (35,198,684) | 23,582,485 |
| Planning & development | 40,862,777 | 7,923,893 | (49,434) | (63,895) | 50,749,642 | (15,222,554) | (15,945,931) | (1,237,394) | (16,828,602) | 33,920,380 |
| Health | 651,476 | 561,984 | (63,245) | 1,793 | 500,534 | (421,756) | (381,404) | (117,355) | (426,112) | 64,422 |
| Public safety | 15,972,801 | 17,982,079 | (503,175) | (124,403) | 21,434,048 | (3,404,602) | (7,55,897) | (4,923,607) | 503,178 | 1,172,600 |
| Sport & recreation | 17,820,662 | 4,099,550 | - | (340) | 17,820,662 | (5,93,355) | (119,498) | (254,455) | - | (5,447,850) |
| Road transport | 148,588 | 158,555 | 25,652 | - | 183,377 | (109,554) | (34,604) | (154,142) | - | 29,235 |
| TOTAL | 136,452,932 | 141,142,408 | 14,310,407 | (1,175,370) | 154,292,844 | (63,296,286) | (63,792,302) | (11,841,560) | 1,175,370 | 31,397 |
| | | | | | | | | | (74,377,095) | 79,915,749 |

| WRDM | Opening balance | Restated balance June 2009 | Cost/revaluation | | | Accumulated depreciation | | | Carrying value | Budget |
|------------------------|--------------------|----------------------------|-------------------|---------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|-------------------|
| | | | Additions | Transfers to WRDA | Disposals | Transfers & corrections | Disposals | Transfers to WRDA | | |
| Executive & council | 4,122,853 | 790,291 | - | (400,575) | 85,226 | 4,807,412 | (1,986,196) | (2,111,003) | (1,489,463) | 207,100 |
| Finance & admin | 57,173,775 | 1,532,381 | - | (161,936) | (40,794,00) | 58,523,00 | (31,448,229) | (3,773,446) | (3,587,174) | 23,582,485 |
| Planning & development | 40,862,777 | 5,870,373 | (5,525,117,60) | (46,434) | 43,184,963 | (2,765,00) | (15,722,554) | (15,945,931) | (16,828,602) | 33,920,380 |
| Health | 651,476 | 561,984 | (63,243) | (63,243) | 500,534 | (1,793,00) | (381,404) | (117,355) | (426,112) | 64,422 |
| Public safety | 15,972,801 | 17,982,079 | (503,175) | (124,403) | 21,434,048 | (3,404,602) | (7,55,897) | (4,923,607) | (503,178) | 1,172,600 |
| Sport & recreation | 17,820,662 | 4,099,550 | 25,652 | (17,820,662) | - | (109,554) | (119,498) | (119,498) | (154,142) | - |
| Road transport | 148,588 | 158,555 | - | (340) | - | (183,377) | (109,554) | (119,498) | (29,235) | 37,200 |
| TOTAL | 136,452,932 | 141,142,408 | 12,327,285 | (23,346,779) | (1,175,370) | (61,771,00) | (63,296,286) | (63,792,302) | 1,175,370 | 74,568 |
| | | | | | | | | | (63,704,485) | 33,853,360 |

WEST RAND DISTRICT MUNICIPALITY

APPENDIX D
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX E(1)

Actual Versus Budget (Revenue & Expenditure)

| Group | Actual R | Budget R | Variance R | Variance | Explanation of significant Variances |
|---------------------------------------|--------------------|--------------------|---------------------|----------|--|
| REVENUE | | | | | |
| Property rates | 9,208,066 | 8,758,000 | (450,066) | -5% | Implementation of property rates act |
| Service charges | 3,598,056 | 3,373,360 | (224,696) | -7% | Additional levies on fire services |
| Rental of facilities & equipment | 1,517,740 | 1,311,780 | (205,960) | -16% | Additional Income received |
| Interest earned - external investment | 10,238,716 | 9,200,000 | (1,038,716) | -11% | Surplus cash invested |
| Interest earned - outstanding debtors | 49,287 | 40,000 | (9,287) | -23% | Handovers on debtors |
| Licenses & permits | 117,966 | 100,820 | (17,146) | -17% | Income did not occur |
| Income for agency service | 28,417,500 | 27,780,000 | (637,500) | -2% | Additional subsidy received |
| Government grants and subsidies | 148,307,140 | 167,185,390 | 18,878,250 | 11% | All grants did not materialised |
| Other income | 2,581,278 | 35,089,960 | 32,508,682 | 93% | Utilisation of surplus funds carried over from previous financial year |
| Sub total revenue | 204,035,749 | 252,839,310 | 51,386,932 | | |
| Less: revenue forgone | (7,389,620) | (7,158,000) | 231,620 | -3% | Rebates for property rates |
| Total revenue | 196,646,129 | 245,681,310 | 51,618,552 | | |
| EXPENDITURE | | | | | |
| Employee related costs | 94,598,546 | 97,324,930 | 2,726,384 | 3% | Vacancies not filled |
| Remuneration councillors | 6,528,603 | 6,694,060 | 165,457 | 2% | Expenditure did not occur |
| Remuneration of board members | 365,163 | 561,800 | 196,637 | 35% | Meetings not held regular |
| Bad debts written-off | 2,744,686 | 3,119,000 | 374,314 | 12% | Bad debt provision adjusted |
| Collection costs | 11,413 | 66,200 | 54,787 | 83% | Less accounts handed over to debt collectors |
| Depreciation and impairment | 11,841,560 | 7,902,700 | (3,938,860) | -50% | Assets with values less than R2000 depreciated |
| Repairs & maintenance | 2,989,445 | 5,770,670 | 2,781,225 | 48% | Leased vehicles with full maintenance plan |
| Interest on external borrowings | 1,425,288 | 1,538,490 | 113,202 | 7% | Less interest paid to DBSA |
| Contracted services | 6,000 | 200,000 | 194,000 | 97% | Expenditure did not occur |
| Grants & Subsidies paid | 12,123,472 | 24,134,190 | 12,010,718 | 50% | Projects not completed |
| General expenses- other | 53,992,739 | 96,912,410 | 42,919,671 | 44% | Expenditure did not occur |
| Total expenditure | 186,626,915 | 244,224,450 | 105,365,050 | | |
| SURPLUS | 10,019,214 | 1,456,860 | (53,746,498) | | |

| WRDM | Actual R | Budget R | Variance R | Variance | Explanation of significant Variances |
|---------------------------------------|--------------------|--------------------|--------------------|----------|--|
| REVENUE | | | | | |
| Property rates | 9,208,066 | 8,758,000 | (450,066) | -5% | Implementation of property rates act |
| Service charges | 3,598,056 | 3,373,360 | (224,696) | -7% | Additional levies on fire services |
| Rental of facilities & equipment | 1,485,764 | 1,278,350 | (207,414) | -16% | Additional Income received |
| Interest earned - external investment | 9,888,555 | 9,000,000 | (888,555) | -10% | Surplus cash invested |
| Interest earned - outstanding debtors | 49,287 | 40,000 | (9,287) | -23% | Handovers on debtors |
| Licenses & permits | 117,966 | 100,820 | (17,146) | -17% | Additional income received |
| Income for agency service | 28,417,500 | 27,780,000 | (637,500) | -2% | Additional subsidy received |
| Government grants and subsidies | 142,845,471 | 153,755,000 | 10,909,529 | 7% | All grants did not materialised |
| Other income | 2,317,290 | 34,449,320 | 32,132,030 | 93% | Utilisation of surplus funds carried over from previous financial year |
| Sub total revenue | 197,927,955 | 238,534,850 | 43,041,559 | 17% | |
| Less revenue forgone | (7,389,620) | (7,158,000) | 231,620 | -3% | Rebates for property rates |
| Total revenue | 190,538,335 | 231,376,850 | 43,273,179 | 18% | |
| EXPENDITURE | | | | | |
| Employee related costs | 92,583,984 | 94,685,440 | 2,001,456 | 2% | Vacancies not filled |
| Remuneration councillors | 6,528,603 | 6,694,060 | 165,457 | 2% | Sitting allowances not paid |
| Bad debts written-off | 2,744,686 | 3,119,000 | 374,314 | 12% | Bad debt provision adjusted |
| Collection costs | 11,413 | 66,200 | 54,787 | 83% | Review of hand-over process |
| Depreciation and impairment | 11,361,976 | 7,456,000 | (3,900,821) | -52% | Assets with values less than R2000 depreciated |
| Repairs & maintenance | 2,949,181 | 5,445,670 | 2,496,489 | 46% | Leased vehicles with full maintenance plan |
| Interest on external borrowings | 1,425,288 | 1,538,490 | 113,202 | 7% | Less interest paid to DBSA |
| Contracted services | 6,000 | 200,000 | 194,000 | 97% | Expenditure did not occur |
| Grants & subsidies paid | 12,123,472 | 24,134,190 | 12,010,718 | 50% | Projects not completed |
| General expenses- other | 52,417,872 | 86,680,940 | 34,211,591 | 40% | Programmes/professional fees did not occur |
| Total expenditure | 182,152,475 | 229,919,990 | 47,721,193 | | |
| Net Surplus | 8,385,860 | 1,456,860 | (4,448,014) | | |

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX E(2)
Actual versus Budget (Acquisition of Property, Plant & Equipment)

| Group | Actual R | Budget R | Variance R | Variance % | Explanation of significant Variances |
|----------------------------|-------------------|-------------------|-------------------|------------|--------------------------------------|
| Land and buildings | | | | | |
| Land and buildings | 140,426 | 15,093,560 | 14,953,134 | 99% | Expenditure in DMA rollover |
| Infrastructure | | | | | |
| Roads | 5,746,302 | 6,296,500 | 550,198 | 9% | Expenditure in DMA rollover |
| Water mains & purification | 100,245 | 3,876,900 | 3,776,655 | 97% | Expenditure in DMA rollover |
| Security measures | - | 2,072,000 | 2,072,000 | 100% | Expenditure in DMA rollover |
| Heritage Assets | | | | | |
| Paintings & art galleries | 9,557 | 6,000 | (3,557) | -59% | Purchases exceeded budget amount |
| Other Assets | | | | | |
| Computer equipment | 960,224 | 1,458,000 | 497,776 | 34% | Saving on expenditure |
| Emergency equipment | 587,331 | 727,100 | 139,769 | 19% | Saving on expenditure |
| Furniture & fittings | 177,904 | 968,700 | 790,796 | 82% | Saving on expenditure |
| Office equipment | - | 4,000 | 4,000 | 100% | Saving on expenditure |
| Plant & equipment | 2,278,574 | 3,804,600 | 1,526,026 | 40% | Saving on expenditure |
| Leased assets | | | | | |
| | 4,409,844 | 4,397,000 | (12,844) | 100% | Lease contracts |
| Total | 14,410,407 | 38,704,360 | 24,293,953 | | |

| WRDM | Actual R | Budget R | Variance R | Variance % | Explanation of significant Variances |
|----------------------------|-------------------|-------------------|-------------------|------------|--------------------------------------|
| Land and buildings | | | | | |
| Land and buildings | 140,426 | 13,353,560 | 13,213,134 | 99% | Expenditure in DMA rollover |
| Infrastructure | | | | | |
| Roads | 5,746,302 | 6,296,500 | 550,198 | 9% | Expenditure in DMA rollover |
| Water mains & purification | 100,245 | 3,876,900 | 3,776,655 | 97% | Expenditure in DMA rollover |
| Security measures | - | 2,072,000 | 2,072,000 | 100% | Expenditure in DMA rollover |
| Heritage assets | | | | | |
| Paintings & art galleries | 9,557 | 6,000 | (3,557) | -59% | Purchases exceeded budget amount |
| Other assets | | | | | |
| Computer equipment | 934,529 | 1,426,000 | 491,471 | 34% | Saving on expenditure |
| Emergency equipment | 587,331 | 727,100 | 139,769 | 19% | Saving on expenditure |
| Furniture & fittings | 177,904 | 968,700 | 790,796 | 82% | Saving on expenditure |
| Office equipment | - | 4,000 | 4,000 | 100% | Saving on expenditure |
| Plant & equipment | 234,082 | 719,600 | 485,518 | 67% | Saving on expenditure |
| Lease assets | | | | | |
| | 4,396,909 | 4,397,000 | 91 | 100% | Lease contracts |
| Total | 12,327,285 | 33,847,360 | 21,520,075 | | |

West Rand District Municipality

APPENDIX F DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

| Group Name of Grants | Name of organ of state or municipal entity | Quarterly Receipts | | | | | | Quarterly Expenditure | | | | | | |
|--------------------------------------|--|--------------------|-----------|------------|------------|------------|------|-----------------------|------------|------------|------------|------|-----------|--|
| | | March | June | Sept | Dec | March | June | Sept | Dec | March | June | Sept | Dec | |
| EMS subsidy | Gauteng Health | - | - | 13,890,000 | - | 6,945,000 | - | 7,164,753 | 5,815,197 | 7,185,233 | 6,136,695 | | | |
| RSC replacement grant | National Government | - | - | 54,692,100 | 40,306,546 | 35,646,278 | - | 24,640,731 | 24,640,731 | 24,640,731 | 24,640,731 | | | |
| HIV/AIDS grant | Gauteng Province | - | - | - | - | - | - | 844,238 | 844,238 | 844,238 | 844,238 | | | |
| MIG | National Government | - | - | - | - | - | - | - | - | - | - | - | | |
| Department of Economical Development | Provincial Government | - | - | 6,425,000 | - | - | - | - | - | - | - | - | 1,194,492 | |
| Total | | - | 2,000,000 | 75,007,100 | 40,306,546 | 49,108,278 | - | 32,649,722 | 31,300,166 | 32,670,202 | 32,816,156 | | | |

| WRM Name of Grants | Name of organ of state or municipal entity | Quarterly Receipts | | | | | | Quarterly Expenditure | | | | | | |
|-----------------------|--|--------------------|-----------|------------|------------|------------|------|-----------------------|------------|------------|------------|------|-----|--|
| | | March | June | Sept | Dec | March | June | Sept | Dec | March | June | Sept | Dec | |
| EMS subsidy | Gauteng Health | - | - | 13,890,000 | - | 6,945,000 | - | 7,164,753 | 5,815,197 | 7,185,233 | 6,136,695 | | | |
| RSC replacement grant | National Government | - | - | 54,692,100 | 40,306,546 | 35,646,278 | - | 24,640,731 | 24,640,731 | 24,640,731 | 24,640,731 | | | |
| HIV/AIDS grant | Gauteng Province | - | - | - | - | - | - | 844,238 | 844,238 | 844,238 | 844,238 | | | |
| MIG | National Government | - | - | - | - | - | - | - | - | - | - | - | | |
| Total | | - | 2,000,000 | 68,582,100 | 40,306,546 | 49,108,278 | - | 32,649,722 | 31,300,166 | 32,670,202 | 31,621,664 | | | |

AMBULANCE SERVICE
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

| Actual 2009 R | | Actual 2010 R | Budget 2010 R |
|---------------------|---|---------------------|---------------------|
| | INCOME | | |
| 26,777,250 | Government grants & subsidies | 28,417,500 | 27,780,000 |
| 1,875,323 | Levies | 1,765,498 | 1,640,000 |
| 177,582 | Other income | 10,602 | 1,002,450 |
| 28,830,155 | Total income | 30,193,600 | 30,422,450 |
| | EXPENDITURE | | |
| 17,475,385 | Salaries and wages | 19,935,717 | 21,261,210 |
| 5,201,909 | General expenses | 4,938,960 | 7,501,310 |
| 1,799,669 | Bad debt provision | 1,691,442 | 1,479,000 |
| 65,965 | Repairs and maintenance | 5,176 | 246,760 |
| 58,517 | Depreciation | 15,078 | 10,040 |
| 24,601,445 | Total expenditure | 26,586,373 | 30,498,320 |
| 4,228,710 | Operating (deficit)/surplus for the year | (3,607,227) | (75,870) |

AMBULANCE SERVICE
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

| 2009 Actual R | | 2010 Actual R | 2010 Budget R |
|---------------------|---|---------------------|---------------------|
| | SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES | | |
| 4,228,710 | Administration | (3,607,227) | (75,870) |
| 4,228,710 | Net (deficit)/surplus for the year | (3,607,227) | (75,870) |
| 4,228,710 | Net (deficit)/surplus for the year before appropriations | (3,607,227) | (75,870) |
| 471,370 | Unappropriated surplus at the beginnnng of the year | 4,700,080 | - |
| | Transfer to provisions | | |
| 4,700,080 | Unappropriated surplus at the end of the year | 1,092,853 | (75,870) |

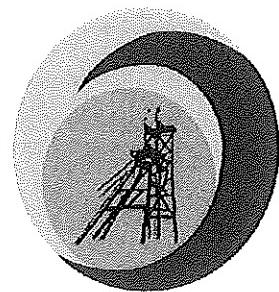
CONSOLIDATED METROPOLITAN TRANSPORT FUND
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

| 2009 Actual R | | 2010 Actual R | 2010 Budget R |
|---------------------|---------------------------------------|---------------------|---------------------|
| | INCOME | | |
| 107,781 | Government grants & subsidies | 53,360 | - |
| <u>107,781</u> | Total income | <u>53,360</u> | <u>-</u> |
| | EXPENDITURE | | |
| 705,181 | Projects | 7,200 | 7,200 |
| <u>705,181</u> | Total expenditure | <u>7,200</u> | <u>7,200</u> |
| <u>(597,400)</u> | Operating surplus for the year | <u>46,160</u> | <u>(7,200)</u> |

CONSOLIDATED METROPOLITAN TRANSPORT FUND
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

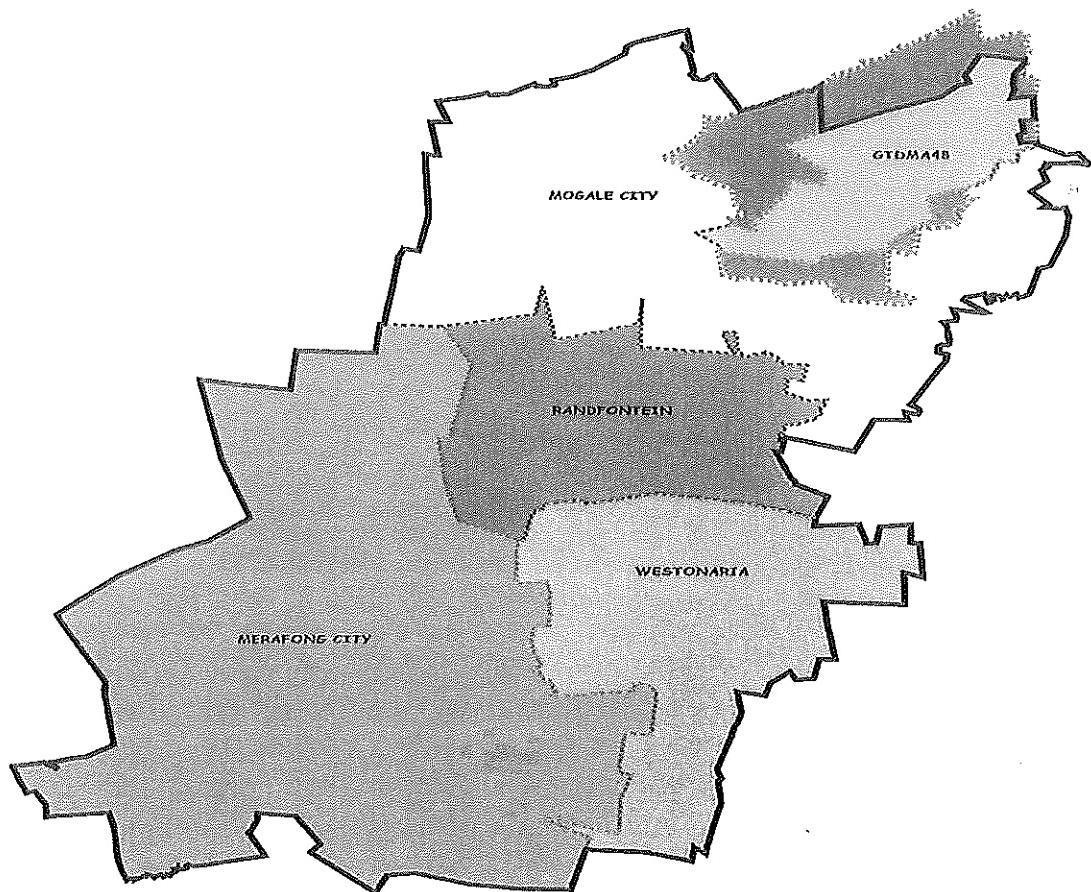
| 2009 Actual R | | 2010 Actual R | 2010 Budget R |
|---------------------|--|---------------------|---------------------|
| | SURPLUS FROM ORDINARY ACTIVITIES | | |
| (597,400) | Administration | 46,160 | - |
| <u>(597,400)</u> | Net surplus for the year | <u>46,160</u> | <u>-</u> |
| | Extraordinary items | | |
| (597,400) | Net surplus before appropriations | 46,160 | - |
| 1,355,207 | Unappropriated surplus at the beginning of the year | 757,807 | - |
| <u>757,807</u> | Unappropriated surplus at the end of the year | <u>803,967</u> | <u>-</u> |

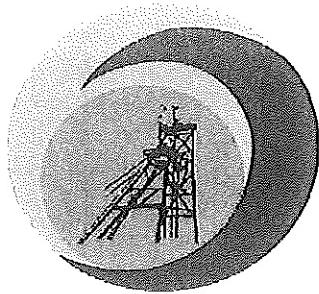
WEST RAND DISTRICT MUNICIPALITY



GROUP ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 JUNE 2010





WEST RAND DISTRICT MUNICIPALITY
GROUP ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2010

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 37, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 14 and 15 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Co-operative Governance and Traditional Affairs determination in accordance with this Act.


Mr MD Mokoena
Acting Municipal Manager

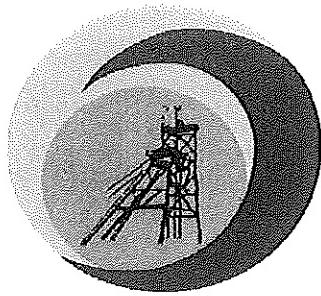
23/09/2010

Date

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

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WEST RAND DISTRICT MUNICIPALITY
GROUP ANNUAL FINANCIAL STATEMENTS

for the year ended

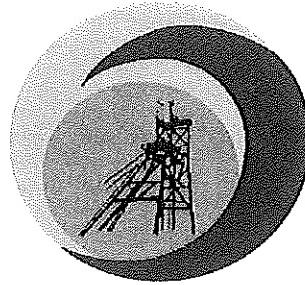
30 June 2010

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**Mr MD Mokoena
Acting Municipal Manager**

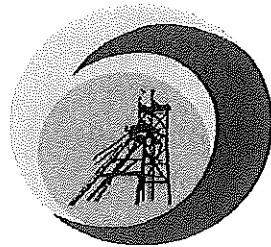
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WEST RAND DISTRICT MUNICIPALITY

Group Annual Financial Statements for the year ended 30 June 2010
Statement of Financial Position as at 30 June 2010

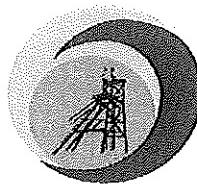
| | Note | GROUP | | WRDM 2009 R |
|--|------|--------------------|--------------------|--------------------|
| | | 2010 R | 2010 R | |
| NET ASSETS AND LIABILITIES | | | | |
| Net assets | | 165,906,312 | 164,267,744 | 139,891,350 |
| Other Reserves | 1 | 22,555,861 | 22,555,861 | 22,625,822 |
| Government grant reserve | | 22,642,627 | 20,680,401 | 20,688,969 |
| Revaluation reserve | | 32,527,176 | 32,527,176 | 34,903,499 |
| Accumulated surplus/(deficit) | | 88,180,648 | 88,504,306 | 61,673,060 |
| Non-current liabilities | | 13,236,914 | 13,236,914 | 15,291,128 |
| Borrowings | 2.1 | 11,013,415 | 11,013,415 | 13,510,492 |
| Lease liability | 2.2 | 2,223,499 | 2,223,499 | 1,780,636 |
| Current liabilities | | 48,068,843 | 42,418,949 | 55,121,866 |
| Borrowings | 2.1 | 2,441,859 | 2,441,859 | 2,214,839 |
| Lease liability | 2.2 | 3,139,094 | 3,117,631 | 3,826,753 |
| Provisions | 3 | 3,409,762 | 3,409,762 | 18,696,312 |
| Creditors | 4 | 13,031,786 | 11,783,863 | 7,386,419 |
| Unspent conditional grants & receipts | 5 | 26,046,342 | 21,665,834 | 22,997,543 |
| Total net assets and liabilities | | 227,212,069 | 219,923,607 | 210,304,344 |
| ASSETS | | | | |
| Non-current assets | | 80,145,885 | 78,513,149 | 77,441,776 |
| Property, plant and equipment | 7.1 | 77,355,749 | 61,144,485 | 74,790,106 |
| Investment property | 7.2 | 2,560,000 | 2,560,000 | 2,560,000 |
| Long-term receivables | 8 | 230,136 | 230,136 | 91,670 |
| Investment in WRDA (entity) | 32 | - | 14,578,528 | - |
| Current assets | | 147,066,184 | 141,410,458 | 132,862,568 |
| Value added taxation - receivable | 6 | 2,312,096 | 2,126,312 | 3,820,361 |
| Current portion of long - term receivables | 8 | 9,707 | 9,707 | 55,916 |
| Inventory | 9 | 422,722 | 409,794 | 449,769 |
| Debtors: property rates | 10.1 | 485,534 | 485,534 | - |
| Debtors: other | 10.2 | 15,156,640 | 15,138,757 | 13,921,571 |
| Investments | 11 | 77,474,874 | 72,619,713 | 99,131,645 |
| Bank and Cash | 12 | 51,204,611 | 50,620,641 | 15,483,306 |
| Total assets | | 227,212,069 | 219,923,607 | 210,304,344 |



WEST RAND DISTRICT MUNICIPALITY

Group Annual Financial Statements for the year ended 30 June 2010 Statement of Financial Performance

| | | Group | WRDM | |
|---|-------------|--------------------|--------------------|--------------------|
| | Note | 2010 R | 2010 R | 2009 R |
| REVENUE | | | | |
| Property rates | 10.4 | 9,208,066 | 9,208,066 | - |
| Service charges | | 3,598,056 | 3,598,056 | 3,892,872 |
| Rental of facilities & equipment | | 1,517,740 | 1,485,764 | 1,639,794 |
| Interest earned - external investments | | 10,238,716 | 9,888,555 | 12,950,535 |
| Interest earned - outstanding debtors | | 49,287 | 49,287 | 16,281 |
| Licences & permits | | 117,966 | 117,966 | 74,095 |
| Income for agency service | 13 | 28,417,500 | 28,417,500 | 26,777,250 |
| Government grants and subsidies | 13 | 148,307,140 | 142,845,471 | 128,658,889 |
| Other income | 17 | 2,581,278 | 2,317,290 | 5,912,490 |
| Sub total revenue | | 204,035,749 | 197,927,955 | 179,922,206 |
| Less: revenue foregone | 35 | (7,389,620) | (7,389,620) | - |
| Total revenue | | 196,646,129 | 190,538,335 | 179,922,206 |
| EXPENDITURE | | | | |
| Employee related cost | 14 | 94,598,546 | 92,583,984 | 80,464,096 |
| Remuneration of councillors | 15 | 6,528,603 | 6,528,603 | 5,293,940 |
| Remuneration of board members | 16.1 | 365,163 | - | - |
| Bad debts | | 2,744,686 | 2,744,686 | 1,976,172 |
| Collection cost | | 11,413 | 11,413 | 35,358 |
| Depreciation and impairment | 7.1 | 11,841,560 | 11,361,976 | 10,094,503 |
| Repairs & maintenance | | 2,989,445 | 2,949,181 | 3,290,278 |
| Interest on external borrowings | 18 | 1,425,288 | 1,425,288 | 1,636,337 |
| Contracted services | | 6,000 | 6,000 | - |
| Grants & subsidies paid | | 12,123,472 | 12,123,472 | 4,667,126 |
| General expenses | 16 | 53,992,739 | 52,417,872 | 47,889,948 |
| Loss on disposal of property, plant and equipment | | - | - | 189,399 |
| Total expenditure | | 186,626,915 | 182,152,475 | 155,537,157 |
| Surplus for the year | | 10,019,214 | 8,385,860 | 24,385,049 |

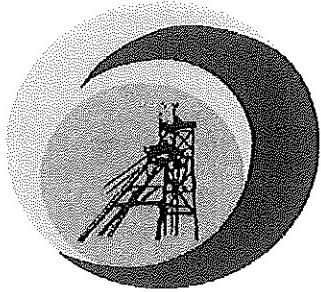


WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010

Statement of Changes in Net Assets

| Group | Note | Other reserves | Government grant reserve | Revaluation reserve R | Accumulated surplus/(deficit) R | Total R |
|---|--------|----------------|--------------------------|-----------------------|---------------------------------|-------------|
| 2009 | | | | | | |
| Balance at 1 July 2009 | | 15,486,901 | 20,398,686 | - | 51,111,157 | 86,996,744 |
| Correction of error | | - | - | - | 452,809 | 452,809 |
| Change in accounting policy | | - | - | 32,887,499 | - | 32,887,499 |
| Restated balance | | 15,486,901 | 20,398,686 | 32,887,499 | 51,663,966 | 120,337,052 |
| Surplus for the year | | - | - | - | 24,318,239 | 24,318,239 |
| Correction to prior year surplus | | - | - | - | 66,810 | 66,810 |
| Surplus for the year restated (June 2009) | | - | - | - | 24,385,049 | 24,385,049 |
| Reserves utilised in operating | | (705,181) | - | - | 705,181 | - |
| Transfer to capital replacement reserve | | 14,242,450 | - | - | (14,242,450) | - |
| Property, plant and equipment purchased | | (6,606,131) | - | - | 6,506,131 | - |
| Capital grants used to purchase property, plant and equipment | | - | (33,128) | - | 33,128 | - |
| Transfer to provisions | | - | - | - | (7,011,635) | (7,011,635) |
| Other transfers | | 107,783 | - | - | (1,177,873) | (1,070,090) |
| Balance at 30 June 2009 | | 22,625,822 | 20,365,558 | 32,887,499 | 60,761,497 | 136,640,376 |
| 2010 | | | | | | |
| Correction of error: grants | 19.1.1 | - | 323,411 | - | - | 323,411 |
| Correction of error: land value | 19.1.2 | - | - | 2,016,000 | - | 2,016,000 |
| Correction of error: accumulated surplus | 19.2.1 | - | - | - | 911,563 | 911,563 |
| Balance at 30 June 2009 (restated) | | 22,625,822 | 20,688,969 | 34,903,499 | 61,673,060 | 139,891,360 |
| Surplus for the year | | - | - | - | 10,023,529 | 10,023,529 |
| Change in accounting policy | | - | - | - | 899 | 899 |
| Reserves utilised in operating | | (7,200) | - | - | 7,200 | - |
| Transfer to capital replacement reserve | | 7,747,400 | - | - | (7,747,400) | - |
| Property, plant and equipment purchased | | (7,863,521) | - | - | 7,863,521 | - |
| Capital grants used to purchase property, plant and equipment | | - | 2,111,347 | - | (2,111,347) | - |
| Offsetting of depreciation on property, plant and equipment | | - | (157,689) | - | 157,689 | - |
| Transfers to provisions | | - | - | (2,376,323) | 18,182,618 | 15,806,295 |
| Other transfers | | 53,360 | - | - | 130,879 | 184,239 |
| Balance at 30 June 2010 | | 22,655,861 | 22,642,627 | 32,627,176 | 88,180,648 | 165,906,312 |

| WRDM | Note | Other reserves | Government grant reserve | Revaluation reserve R | Accumulated surplus/(deficit) R | Total R |
|---|--------|----------------|--------------------------|-----------------------|---------------------------------|-------------|
| 2009 | | | | | | |
| Balance at 1 July 2009 | | 15,486,901 | 20,398,686 | - | 51,111,157 | 86,996,744 |
| Correction of error | | - | - | - | 452,809 | 452,809 |
| Change in accounting policy | | - | - | 32,887,499 | - | 32,887,499 |
| Restated balance | | 15,486,901 | 20,398,686 | 32,887,499 | 51,663,966 | 120,337,052 |
| Surplus for the year | | - | - | - | 24,318,239 | 24,318,239 |
| Correction to prior year surplus | | - | - | - | 66,810 | 66,810 |
| Surplus for the year restated (June 2009) | | - | - | - | 24,385,049 | 24,385,049 |
| Reserves utilised in operating | | (705,181) | - | - | 705,181 | - |
| Transfer to capital replacement reserve | | 14,242,450 | - | - | (14,242,450) | - |
| Property, plant and equipment purchased | | (6,606,131) | - | - | 6,506,131 | - |
| Capital grants used to purchase property, plant and equipment | | - | (33,128) | - | 33,128 | - |
| Transfers to provisions | | - | - | - | (7,011,635) | (7,011,635) |
| Other transfers | | 107,783 | - | - | (1,177,873) | (1,070,090) |
| Balance at 30 June 2009 | | 22,625,822 | 20,365,558 | 32,887,499 | 60,761,497 | 136,640,376 |
| 2010 | | | | | | |
| Correction of error: grants | 19.1.1 | - | 323,411 | - | - | 323,411 |
| Correction of error: land value | 19.1.2 | - | - | 2,016,000 | - | 2,016,000 |
| Correction of error: accumulated surplus | 19.2.1 | - | - | - | 911,563 | 911,563 |
| Balance at 30 June 2009 (restated) | | 22,625,822 | 20,688,969 | 34,903,499 | 61,673,060 | 139,891,360 |
| Surplus for the year | | - | - | - | 8,385,860 | 8,385,860 |
| Reserves utilised in operating | | (7,200) | - | - | 7,200 | - |
| Transfer to capital replacement reserve | | 7,747,400 | - | - | (7,747,400) | - |
| Property, plant and equipment purchased | | (7,863,521) | - | - | 7,863,521 | - |
| Capital grants used to purchase property, plant and equipment | | - | 66,855 | - | (66,855) | - |
| Offsetting of depreciation on property, plant and equipment | | - | (75,423) | - | 75,423 | - |
| Transfers to provisions | | 53,360 | - | (2,376,323.00) | 18,182,618 | 15,806,295 |
| Other transfers | | - | - | - | 130,879 | 184,239 |
| Balance at 30 June 2010 | | 22,655,861 | 20,680,401 | 32,627,176 | 88,504,306 | 164,267,744 |



WEST RAND DISTRICT MUNICIPALITY

Group Annual Financial Statements for the year ended 30 June 2010 Cash Flow Statement

| | Note | GROUP | | WRDM | |
|--|------|--------------------|-----------|--------------------|---------------------|
| | | 2010 R | 2010 R | 2010 R | 2009 R |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| Cash receipts from ratepayers, government and other | | 189,277,155 | | 179,355,609 | 178,781,374 |
| Cash paid to suppliers and employees | | (166,934,024) | | (164,187,091) | (146,479,429) |
| Cash generated from/(utilised in) operations | 20 | 22,343,131 | | 15,168,518 | 32,301,945 |
| Interest received | | 10,238,716 | | 9,888,555 | 12,950,535 |
| Interest paid | 18 | (1,425,288) | | (1,425,288) | (1,636,337) |
| Net cash from operating activities | | 31,156,559 | | 23,631,785 | 43,616,143 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Purchase of property, plant and equipment | 7 | (14,410,407) | | (12,327,285) | (9,273,110) |
| (Increase)Decrease in non-current receivables | | (138,466) | | (138,466) | 69,456 |
| (Increase)/Decrease in non-current Investments | | 26,511,932 | | 26,511,932 | (38,097,782) |
| Net cash from investing activities | | 11,963,059 | | 14,046,181 | (47,301,436) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Loans raised/(repaid) | | (2,543,152) | | (2,536,316) | (3,572,520) |
| Other transfers | | - | | (4,315) | - |
| Net cash from financing activities | | (2,543,152) | | (2,540,631) | (3,572,520) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | | | | |
| Cash and cash equivalents at the beginning of the year | | 40,576,466 | | 35,137,335 | (7,257,813) |
| Cash and cash equivalents at the end of the year | 12 | 15,483,306 | | 15,483,306 | 22,741,119 |
| | | 56,059,772 | | 50,620,641 | 15,483,306 |
| | | (40,576,466) | | (35,137,335) | 7,257,813 |

WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. BASIS OF ACCOUNTING

1.1 BASIS OF PRESENTATION

The group annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These group annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The standards comprise of the following:

| | |
|-----------------|---|
| GRAP 1 | Presentation of financial statements |
| GRAP 2 | Cash flow statements |
| GRAP 3 | Accounting policies, changes in accounting estimates and errors |
| GRAP 6 | Consolidated and separate financial statements |
| GRAP 9 | Revenue from exchange transactions |
| GAMAP 9 | Revenue from non-exchange transactions |
| GRAP 12 | Inventories |
| GRAP 13 | Leases |
| GRAP 14 | Events after the reporting date |
| GRAP 16 | Investment property |
| GRAP 17 | Property, plant and equipment |
| GRAP 19 | Provisions, contingent liabilities and contingent assets |
| IAS 32 (AC125) | Financial instruments: presentation |
| IAS 36 (AC 128) | Impairment of assets |
| IAS 39 (AC 133) | Financial instruments: recognition and measurements |

The principal accounting policies adopted in the preparation of these group annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy, and the notes.

PRESENTATION CURRENCY

These group annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 GOING CONCERN ASSUMPTION

These group annual financial statements have been prepared on the assumption that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 COMPARATIVE INFORMATION

Budget information in accordance with GRAP 1 and GRAP 24 (not yet effective), has been provided in an annexure to these financial statements and forms part of the audited group annual financial statements. Refer to Appendix E(1)and E(2).

When the presentation or classification of items in the group annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current

WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.4 STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

- GRAP 18 Segment Reporting - issued March 2005
- GRAP 21 Impairment on Non Cash generating Assets
- GRAP 23 Revenue from Non-Exchange Transactions (Taxes and Transfers) - issued February 2008
- GRAP 24 Presentation of Budget Information in Financial Statements - issued November 2007
- GRAP 25 Employee benefits
- GRAP 26 Impairment of Cash generating Assets
- GRAP 103 Heritage Assets - issued July 2008
- GRAP 104 Financial Instruments

The following standards, amendments to standards and interpretations have been issued but are not yet effective and have not been early adopted by the municipality:

- IAS 19 Employee Benefits - effective 1 January 2009
- IFRS 17 Distribution of Non-cash Assets to Owners - effective 1 July 2009

These standards are in line with the current standards applied by the WRDM and have no material impact on Group Annual Financial Statements.

2. RESERVES

2.1 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit)

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

2.2 Capital Replacement Reserve (CRR)

In order to finance the provision of Infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR. The CRR is reduced and the accumulated surplus/(deficit) are credit by a corresponding amount when the amounts in the CRR are utilized.

The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.

WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

2.3 Donations and Public Contributions Reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.

When an item of property, plant and equipment financed from Donations and Public Contributions Reserve is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/(deficit).

2.4 Revaluation Reserve.

The surplus arising from the revaluation of land, buildings and infrastructure assets are credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings and infrastructure assets are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/(deficit). On disposal, the net revaluation surplus is transferred to the accumulated surplus/(deficit) while gains or losses on disposal, based on revalued amounts, are credited or charged to the Statement of Financial Performance.

3. PROPERTY, PLANT AND EQUIPMENT

3.1 INITIAL RECOGNITION

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year. Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

3.2 SUBSEQUENT MEASUREMENT - REVALUATION MODEL (LAND AND BUILDINGS and INFRASTRUCTURE ASSETS)

Subsequent to initial recognition, land, buildings and infrastructure are carried at a re-valued amount, being its fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation is credited directly to a revaluation surplus reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

A decrease in the carrying amount of an asset as a result of a revaluation is recognised in surplus or deficit, except to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

3.3 SUBSEQUENT MEASUREMENT of MOVABLE ASSETS - COST MODEL

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

3.4 DEPRECIATION AND IMPAIRMENT

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated average asset lives:

| | Years | | Years |
|---|---------|------------------------------------|---------|
| Infrastructure Assets | | Movable Assets | |
| Roads and storm-water | 30 | Specialist vehicles | 10 |
| Civil infrastructure and pipe work | 15 – 20 | Other vehicles | 3 – 5 |
| Electrical Infrastructure | 20 – 30 | Office equipment | 3 – 7 |
| Sewer | 15 – 20 | Furniture and fittings | 7 – 10 |
| Security | 5 | Watercraft | 15 |
| Buildings | 30 | Bins and containers | 5 |
| Open spaces | 15 – 20 | Specialised plant and equipment | 10 – 15 |
| The above groupings include Heritage and Community Assets and the Landfill Site.. | | Other items of plant and equipment | 2 – 5 |
| Recreational Facilities | 20 – 30 | Finance lease assets | |
| | | Office equipment | 2 – 5 |
| | | Motor vehicles | 3 |

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

**WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

3.5 DE-RECOGNITION

Items of Property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

4. INTANGIBLE ASSETS

4.1 INITIAL RECOGNITION – REVALUATION MODEL.

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include servitudes, computer software, licences, and development costs. The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

The municipality has only recognised servitudes as an intangible asset in the current financial year and has not recognised other intangible assets.

Intangible Assets are carried at valuation amounts, being its fair value at the date of valuation less any impairment losses.

4.2 SUBSEQUENT MEASUREMENT - REVALUATION MODEL.

Subsequent to initial recognition, Intangible Assets are carried at a re-valued amount, being its fair value at the date of revaluation less any subsequent impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation is credited directly to a revaluation surplus reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

A decrease in the carrying amount of an asset as a result of a revaluation is recognised in surplus or deficit, except to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

4.3 AMORTISATION AND IMPAIRMENT

The municipality tests intangible assets with finite useful lives for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Intangible Assets are not amortised.

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4.4 DE-RECOGNITION

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

5. INVESTMENT PROPERTY

5.1 INITIAL RECOGNITION

Investment property includes developed and undeveloped land, held for resale or for capital appreciation, rather than held to meet service delivery objectives.

This is the first year that the municipality implemented the accounting standard for Investment Property. To enable the municipality to measure the fair value of the Investment Property the property was valued by an external valuer.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

5.2 SUBSEQUENT MEASUREMENT - FAIR VALUE MODEL

Investment property is measured using the fair value model. Under the fair value model, investment property is carried at its fair value at the reporting date. Any gain or loss arising from a change in the fair value of the property is included in surplus or deficit for the period in which it arises.

6. NON – CURRENT ASSETS HELD FOR SALE

6.1 INITIAL RECOGNITION

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification

6.2 SUBSEQUENT MEASUREMENT

Non-current assets held for sale (or disposal group) are measured at the lower of carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are recognised in surplus or deficit.

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FOR THE YEAR ENDED 30 JUNE 2010

7. INVESTMENTS IN MUNICIPAL ENTITIES

Group Annual Financial Statements

The group annual financial statements include those of the holding company and its subsidiaries. The results of the subsidiaries are included from the effective date of acquisition.

Consolidated financial statements are prepared, on acquisition the group recognises the subsidiary's identifiable assets, liabilities and contingent liabilities at fair value, except for assets classified as held-for-sale, which are recognised at fair value less costs to sell, from the date control commences until the control ceases.

Municipal Annual Financial Statements

In the Municipality's separate annual financial statements, investments in municipal entities are carried at cost less any accumulated impairment.

Municipal entities are entities controlled by the WRDM. Control exists when the WRDM has the power to govern the financial and operating policies of an entity from its activities. In assessing control, potential voting rights that are currently exercisable are taken into account.

8. INVENTORIES

8.1 INITIAL RECOGNITION

Inventories consisting of consumable stores, raw materials, work-in-progress, purified water stock and finished goods, comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

8.2 SUBSEQUENT MEASUREMENT

Inventories, consisting of consumable stores, raw materials, work-in-progress, purified water stock and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

In general, the basis of allocating cost to inventory items is the weighted average method.

WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

9. FINANCIAL INSTRUMENTS

9.1 INITIAL RECOGNITION

Financial instruments are initially recognised at fair value.

SUBSEQUENT MEASUREMENT

Financial Assets are categorized according to their nature as either financial assets at fair value through profit or loss, held-to maturity, loans and receivables, or available for sale. Financial liabilities are categorized as either at fair value through profit or loss or financial liabilities carried at amortized cost ("other"). The subsequent measurement of financial assets and liabilities depends on this categorization and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with IAS 39.

9.2 TRADE AND OTHER RECEIVABLES

Trade and other receivables are categorized as financial assets: loans and receivables and are initially recognised at fair value and subsequently carried at amortized cost. Amortized cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses.

9.3 TRADE PAYABLES AND BORROWINGS

Financial liabilities consist of trade payables and borrowings. They are categorized as financial liabilities' held at amortized cost, are initially recognised at fair value and subsequently measured at amortized cost which is the initial carrying amount, less repayments, plus interest.

9.4 CASH AND CASH EQUIVALENTS

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash, that is held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets: loans and receivables.

10. UNAUTHORIZED EXPENDITURE

Unauthorized expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorized expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

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11. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorized expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance

12. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

13. PROVISIONS

Provisions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Where the effect is material, non-current provisions are discounted to their present value using a pre-tax discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability (for example in the case of obligations for the rehabilitation of land).

The municipality does not recognize a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

14. LEASES

14.1 MUNICIPALITIES AS LESSEE

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant, equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to de-recognition of financial

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instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are accrued on a straight-line basis over the term of the relevant lease.

14.2 THE MUNICIPALITY AS LESSOR

Assets leased to third parties under operating leases are included in property, plant and equipment in the statement of financial position. These assets are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

15. REVENUE

15.1 REVENUE FROM EXCHANGE TRANSACTIONS

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Interest revenue is recognised on a time proportion basis.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods are passed to the consumer.

Revenue arising out of situations where the municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

15.2 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis.

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Revenue from agency services is recognised when it becomes due, together with an estimate of agency services revenue that will be received based on past experience of amounts collected.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

15.3 GRANTS, TRANSFERS AND DONATIONS

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

16. BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

17. RETIREMENT BENEFITS

The municipality provides retirement benefits for its employees and councillors except for employees who are remunerated on a total cost to company basis. The municipality also subsidizes medical aid fund contributions after retirement of certain employees. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

18. RELATED PARTIES

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel of the municipality are those persons, directly and indirectly having authority and responsibility for planning, directing and controlling the activities of the municipality. Key management is defined as the Municipal Manager, Chief Financial Officer, Chief Operations Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager. The mayor and all WRDM Councillors are also identified as related parties.

19. EVENTS AFTER THE REPORTING DATE

Adjusting events after reporting date will be accounted for in the group annual financial statements, while non adjusting events after the reporting date are disclosed in the notes to the group annual financial statements.

WEST RAND DISTRICT MUNICIPALITY
ACCOUNTING POLICIES TO THE GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

20. IMPAIRMENT OF ASSETS

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also: tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the cash-generating unit to which the asset belongs is determined.

The recoverable service amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An impairment loss is recognised for cash-generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:-

To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any reversal of an impairment loss of a revalue asset is treated as a revaluation increase.

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| 1 OTHER RESERVES | | | |
| Transport fund | 803,967 | 803,967 | 757,807 |
| Unappropriated surplus | 757,807 | 757,807 | 1,355,207 |
| Transfers from operating Income | 63,360 | 63,360 | 107,781 |
| Transfers for expenditure incurred | (7,200) | (7,200) | (705,181) |
| Bank and cash | 803,967 | 803,967 | 757,807 |
| Total transport fund: assets and liabilities | - | - | - |
| Capital Reserve Fund | 21,751,894 | 21,751,894 | 21,868,016 |
| Unappropriated surplus | 21,668,015 | 21,668,015 | 14,131,695 |
| Transfers from operating Income | 7,747,400 | 7,747,400 | 14,242,450 |
| Transfers for expenditure incurred | (7,863,521) | (7,863,521) | (6,508,130) |
| Bank and cash | 21,751,894 | 21,751,894 | 21,868,015 |
| Total transport and capital reserve fund | <u>22,655,861</u> | <u>22,655,861</u> | <u>22,625,822</u> |
| 2 BORROWINGS | | | |
| 2.1 Annuity loans | | | |
| Unsecured borrowings: DBSA | 13,455,274 | 13,455,274 | 15,725,331 |
| Less : Current portion annuity | (2,441,859) | (2,441,859) | (2,214,839) |
| Total long term borrowings | <u>11,013,415</u> | <u>11,013,415</u> | <u>13,510,492</u> |
| DBSA loans bears interest of 10% per annum and is repayable over a period of 20 years. The loans were utilised to finance capital projects in the local municipalities. The remaining period of these loans are 4 years. | | | |
| 2.2 Lease liability | | | |
| Capital lease liability | 5,362,593 | 5,341,130 | 5,607,389 |
| Less : Current portion leases | (3,139,094) | (3,117,631) | (3,828,763) |
| Total lease liability | <u>2,223,499</u> | <u>2,223,499</u> | <u>1,780,636</u> |
| Cell phone contracts lease term are 24 months, vehicles and photocopier/faxes lease terms are 36 months. | | | |
| Refer to Appendix A for more detail on borrowings. | | | |
| 3 PROVISIONS | | | |
| The movement in the non-current provision is reconciled as follows:- | | | |
| 3.1 Project provision | | | |
| Balance at beginning of year | 17,944,013 | 17,944,013 | 11,385,187 |
| Contributions to provision | | | |
| Transferred to expenditure | (16,806,296) | (16,806,296) | (11,046,620) |
| Balance at end of year | <u>2,137,717</u> | <u>2,137,717</u> | <u>17,944,013</u> |
| Provision is to finance identified projects in the local municipalities and the WRDM. It is not certain when the monies will be spent by the local municipalities hence the amounts to be transferred and the timing are not certain. | | | |
| 3.2 Staff performance bonuses | | | |
| Balance at beginning of year | 752,299 | 752,299 | 452,810 |
| Contributions to provision | 573,270 | 573,270 | 299,489 |
| Transferred to expenditure | (53,524) | (53,524) | - |
| Balance at end of year | <u>1,272,045</u> | <u>1,272,045</u> | <u>752,299</u> |
| Total provisions | <u>3,409,762</u> | <u>3,409,762</u> | <u>18,696,312</u> |
| Provision for section 67 employees. The payment of the bonuses are based on performance and therefore the performance, amounts and payment date are uncertain. | | | |
| 4 CREDITORS | | | |
| Trade creditors | 5,691,237 | 5,116,983 | 2,208,986 |
| Salary third party payments | 62,636 | 62,636 | 62,347 |
| Retention | 182,400 | - | - |
| Payments received in advance | 232,231 | 232,231 | 228,262 |
| Staff leave accrual | 6,573,582 | 6,382,113 | 4,898,824 |
| Total creditors | <u>13,031,786</u> | <u>11,783,883</u> | <u>7,386,419</u> |
| 5 UNSPENT CONDITIONAL GRANTS AND RECEIPTS | | | |
| Conditional Grants from other spheres of government | 26,046,342 | 21,665,834 | 22,997,543 |
| Department of Economical Development | 4,380,608 | - | - |
| MSIG | 465,359 | 465,359 | - |
| LED grants-water and sanitation | 12,148,000 | 12,148,000 | 18,673,000 |
| HIV/Aids grant | 305,443 | 305,443 | 2,164,644 |
| Bekkersdal urban renewal | 375,032 | 375,032 | 375,032 |
| MIG | 8,372,000 | 8,372,000 | 1,855,000 |
| Transition grant | - | - | 29,667 |
| Total conditional grants and receipts | <u>26,046,342</u> | <u>21,665,834</u> | <u>22,997,543</u> |
| 6 VALUE ADDED TAXATION | | | |
| Value added taxation receivable | <u>2,312,096</u> | <u>2,126,312</u> | <u>3,820,381</u> |
| Value added taxation is payable on the receipts basis. Once payment is received from debtors value added taxation is paid over to SARS. The West Rand Development Agency is registered for value added taxation since 17 March 2010. | | | |

7 PROPERTY, PLANT AND EQUIPMENT

7.1 Property, plant and equipment

| Group | Land and buildings R | Infra-structure R | Community R | Heritage R | Other R | Total R |
|---|-------------------------|----------------------|--------------------|----------------|---------------------|---------------------|
| Reconciliation of carrying value | | | | | | |
| Carrying value at 1 July 2009 | 46,923,256 | 2,533,022 | 9,992,080 | - | 11,148,288 | 70,596,646 |
| <i>Cost</i> | <i>94,502,074</i> | <i>2,727,408</i> | <i>9,992,080</i> | <i>-</i> | <i>26,671,370</i> | <i>133,892,932</i> |
| <i>Accumulated depreciation</i> | <i>(47,578,818)</i> | <i>(194,386)</i> | <i>-</i> | <i>-</i> | <i>(15,523,082)</i> | <i>(63,296,286)</i> |
| <i>Correction of error (cost) - note 19.1.5</i> | <i>(8,292,663)</i> | <i>15,122,032</i> | <i>(9,911,080)</i> | <i>4,298</i> | <i>7,766,889</i> | <i>4,689,476</i> |
| <i>Correction of error (depreciation) - note 19.1.6</i> | <i>11,756,422</i> | <i>(9,152,558)</i> | <i>-</i> | <i>(4,279)</i> | <i>(3,095,601)</i> | <i>(496,016)</i> |
| Restated balance 1 July 2009 | 50,387,015 | 8,502,496 | 81,000 | 19 | 15,819,576 | 74,790,106 |
| <i>Acquisitions</i> | <i>140,426</i> | <i>5,846,547</i> | <i>-</i> | <i>9,557</i> | <i>8,413,877</i> | <i>14,410,407</i> |
| <i>Corrections and transfers - cost</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>(84,601)</i> | <i>(84,601)</i> |
| <i>Depreciation</i> | <i>(2,067,567)</i> | <i>(762,839)</i> | <i>-</i> | <i>(365)</i> | <i>(9,010,789)</i> | <i>(11,841,560)</i> |
| <i>Corrections and transfers - depreciation</i> | <i>27,504</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>53,893</i> | <i>81,397</i> |
| Carrying value of disposals | - | - | - | - | - | - |
| <i>Cost</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>(1,175,370)</i> | <i>(1,175,370)</i> |
| <i>Accumulated depreciation</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>1,175,370</i> | <i>1,175,370</i> |
| Carrying value at 30 June 2010 | 48,487,378 | 13,586,204 | 81,000 | 9,211 | 15,191,956 | 77,355,749 |
| <i>Cost</i> | <i>86,349,837</i> | <i>23,695,987</i> | <i>81,000</i> | <i>13,855</i> | <i>41,592,165</i> | <i>151,732,844</i> |
| <i>Accumulated depreciation</i> | <i>(37,862,459)</i> | <i>(10,109,783)</i> | <i>-</i> | <i>(4,644)</i> | <i>(26,400,209)</i> | <i>(74,377,095)</i> |

Details of valuation

West Rand District municipality engaged the services of an independent consortium of specialist companies, I@consulting, Bigen Africa, Imqs and GLS during the financial year as an initial step to establish an asset register for all councils immovable PPE. The companies are not connected to the municipality.

Assets that provide a service, or form part of a network that provides a service, for which the municipality is functional responsible were valued on the basis of depreciated replacement cost(DRC). Replacement costs will be based on replacing the asset under consideration with a modern equivalent asset which has the same functional capacity. Based on a condition assessment an accumulated depreciation charge was determined to establish the asset carrying value for inclusion in the asset register. The DRC method was decided on because the initial values and age of assets were not available and the aggregated values could not easily be compared with market values. The DRC method are based on condition assessment which also lend itself to impairment testing at the detailed asset level.

The depreciated replacement cost (DRC) model has been adopted using the straight line deterioration method to reflect the consumption of economic benefit. The approach necessitates information on the expected useful life (EUL), residual value (RV), current replacement cost (CRC), and remaining useful life (RUL) of each of the asset components. The CRC is the product of a unit rate and the extent of the component and represents the cost of replacing the asset, and in cases where the existing asset is obsolete, the replacement with a modern equivalent. The depreciable portion of an asset is determined by subtracting the residual value from the CRC. The depreciated replacement cost (DRC) is established by proportionately reducing the depreciable portion based on the fraction of the remaining useful life over the expected useful life.

The valuation date was 30 June 2009.

7.2 Investment property

| | | |
|------------------------------------|------------------|------------------|
| Fair value | 2,560,000 | 2,560,000 |
| Total investment properties | 2,560,000 | 2,560,000 |

Revenue of R538 957 earned from the investment property(BP garage) is included in the statement of financial performance. Revaluation for investment property will be performed every 3 years due to costs involved.

7.3 Assets with zero values

Assets with zero values were corrected in 2010, and assets with a value less than R2000.00 are depreciated in the same year to a R1 value.

Fifty percent of similar asset values in the asset register were used as a basis to correct zero values. Where no comparisons could be found values were obtained from suppliers.

7 PROPERTY, PLANT AND EQUIPMENT

7.1 Property, plant and equipment

| WRDM | Land and Buildings R | Infra-structure R | Community R | Heritage R | Other R | Total R |
|---|----------------------|--------------------|--------------------|----------------|---------------------|---------------------|
| Reconciliation of carrying value | | | | | | |
| Carrying value at 1 July 2009 | 46,923,307 | 2,533,022 | 9,992,080 | - | 11,148,237 | 70,596,646 |
| Cost | 94,502,074 | 2,727,408 | 9,992,080 | - | 26,671,370 | 133,892,932 |
| Accumulated depreciation | (47,578,767) | (194,386) | - | - | (15,523,133) | (63,296,286) |
| Correction of error (cost) - note 19.1.5 | (8,292,663) | 15,122,032 | (9,911,080) | 4,298 | 7,766,889 | 4,689,476 |
| Correction of error (depreciation) - note 19.1.6 | 11,766,371 | (9,152,558) | - | (4,270) | (3,095,550) | (496,016) |
| Restated balance 1 July 2009 | 60,387,016 | 8,502,496 | 81,000 | 19 | 16,819,576 | 74,790,108 |
| Acquisitions | 140,426 | 5,846,547 | - | 9,557 | 6,330,755 | 12,327,285 |
| Corrections and transfers - cost | (15,763,838) | (5,979,773) | - | - | (1,684,939) | (23,428,550) |
| Depreciation | (1,901,092) | (609,379) | - | (365) | (8,851,140) | (11,361,976) |
| Corrections and transfers - depreciation | 3,781,127 | 3,553,451 | - | - | 1,483,042 | 8,817,620 |
| Carrying value of disposals | - | - | - | - | - | - |
| Cost | - | - | - | - | (1,175,370) | (1,175,370) |
| Accumulated depreciation | - | - | - | - | 1,175,370 | 1,175,370 |
| Carrying values at 30 June 2010 | 36,643,638 | 11,313,342 | 81,000 | 9,211 | 13,097,294 | 61,144,485 |
| Cost | 70,585,999 | 17,716,214 | 81,000 | 13,855 | 37,908,705 | 126,305,773 |
| Accumulated depreciation | (33,942,361) | (6,402,872) | - | (4,644) | (24,811,411) | (65,161,288) |

| WRDM | Land and Buildings R | Infra-structure R | Community R | Heritage R | Other R | Total R |
|---|----------------------|-------------------|------------------|------------|---------------------|---------------------|
| Reconciliation of carrying Value | | | | | | |
| Carrying value at 1 July 2008 | 23,524,958 | 2,762,807 | 1,475,298 | - | 10,048,180 | 37,801,243 |
| Cost | 28,131,296 | 3,182,421 | 1,475,298 | - | 19,909,879 | 52,698,894 |
| Investment assets | 608,201 | - | - | - | - | 608,201 |
| Accumulated depreciation | (5,214,539) | (429,614) | - | - | (9,861,699) | (15,505,852) |
| Revaluations | 24,613,884 | (214,358) | 8,516,782 | - | (28,809) | 32,887,499 |
| Cost | 63,759,398 | (533,093) | 8,516,782 | - | (63,164) | 71,679,923 |
| Accumulated depreciation | (39,145,514) | 318,735 | - | - | 34,355 | (38,792,424) |
| Correction of error (Cost) | - | - | - | - | 3,244,376 | 3,244,376 |
| Restated Balance 1 July 2008 | 48,138,642 | 2,538,449 | 9,992,080 | - | 10,019,371 | 70,688,742 |
| Acquisitions | 3,418,031 | 842,562 | - | - | 8,256,893 | 12,517,486 |
| Depreciation | (3,218,765) | (63,507) | - | - | (6,857,129) | (10,159,401) |
| Carrying value of disposals | 193,266 | 769,055 | - | - | (270,801) | 687,620 |
| Cost | 3,418,031 | 842,562 | - | - | (1,432,238) | 2,828,355 |
| Accumulated depreciation | (3,218,765) | (83,507) | - | - | 1,161,437 | (2,140,835) |
| Revaluation | (221,242) | (764,482) | - | - | - | (985,724) |
| Other movements depreciation | - | - | - | - | (46) | (46) |
| Carrying value at 30 June 2009 | 46,923,307 | 2,533,022 | 9,992,080 | - | 11,148,237 | 70,596,646 |
| Cost | 94,502,074 | 2,727,408 | 9,992,080 | - | 26,671,370 | 133,892,932 |
| Accumulated depreciation | (47,578,767) | (194,386) | - | - | (15,523,133) | (63,296,286) |

Details of valuation

West Rand District municipality engaged the services of an independent consortium of specialist companies, I@consulting, Bigen Africa, Imqs and GLS during the financial year as an initial step to establish an asset register for all councils immovable PPE. The companies are not connected to the municipality.

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The depreciated replacement cost (DRC) model has been adopted using the straight line deterioration method to reflect the consumption of economic benefit. The approach necessitates information on the expected useful life (EUL), residual value (RV), current replacement cost (CRC), and remaining useful life (RUL) of each of the asset components. The CRC is the product of a unit rate and the extent of the component and represents the cost of replacing the asset, and in cases where the existing asset is obsolete, the replacement with a modern equivalent. The depreciable portion of an asset is determined by subtracting the residual value from the CRC. The depreciated replacement cost (DRC) is established by proportionately reducing the depreciable portion based on the fraction of the remaining useful life over the expected useful life.

The valuation date was 30 June 2009.

7.2 Investment property

| | | |
|------------------------------------|------------------|------------------|
| Fair value | 2,560,000 | 2,560,000 |
| Total investment properties | 2,560,000 | 2,560,000 |

Revenue of R538 957 earned from the investment property(BP garage) is included in the statement of financial performance. Revaluation for investment property will be performed every 3 years due to costs involved.

7.3 Assets with zero values

Assets with zero values were corrected in 2010, and assets with a value less than R2000.00 are depreciated in the same year to a R1 value.

Fifty percent of simmilar asset values in the asset register were used as a basis to correct zero values. Where no comparisons could be found values were obtained from suppliers.

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|--|--------------------|-------------------|-------------------|
| 8 LONG-TERM RECEIVABLES | | | |
| Internal learner ship | 239,843 | 239,843 | 147,586 |
| Less : Current portion transferred to current receivables | (9,707) | (9,707) | (55,916) |
| Total | 230,136 | 230,136 | 91,670 |
| Internal learner ship (study assistance employees WRDM). All monies are recovered when an applicant fails. | | | |
| 9 INVENTORY | | | |
| Consumable stores – at cost | 409,794 | 409,794 | 449,769 |
| Stock: raw materials | 12,928 | - | - |
| Total Inventory | 422,722 | 409,794 | 449,769 |
| 10 DEBTORS | | | |
| As at 30 June 2009 | | | |
| Other debtors | | | |
| Ambulance | 14,807,226 | 1,350,142 | 13,657,084 |
| Other | 4,614,988 | 4,160,499 | 364,487 |
| Total other debtors | 19,422,212 | 5,500,641 | 13,921,671 |
| As at 30 June 2010 | | | |
| 10.1 Debtors: property rates | | | |
| Property rates | 659,005 | 173,471 | 485,634 |
| 10.2 Other debtors | | | |
| Ambulance | 15,407,338 | 879,837 | 14,527,501 |
| Deposits paid | 78,616 | - | 78,616 |
| Salary advance-bonus payments | 6,608 | - | 6,608 |
| Other | 1,426,212 | 899,178 | 527,034 |
| Total other debtors | 16,917,772 | 1,779,015 | 15,138,757 |
| As at 30 June 2010 | | | |
| 10.1 Debtors: property rates | | | |
| Property rates | 659,005 | 173,471 | 485,634 |
| 10.2 Debtors: other | | | |
| Ambulance | 15,407,338 | 879,837 | 14,527,501 |
| Deposits paid | 78,616 | - | 78,616 |
| Salary advance-bonus payments | 6,608 | - | 6,608 |
| Other | 1,444,095 | 899,178 | 644,917 |
| Total other debtors | 16,935,655 | 1,952,488 | 15,156,640 |
| Property rates | | | |
| Current (0 – 30 days) | 249,455 | 249,455 | - |
| 31 - 60 Days | 114,182 | 114,182 | - |
| 61 - 90 Days | 40,988 | 40,988 | - |
| 91 - 120 Days | 116,600 | 116,600 | - |
| + 121 Days | 137,882 | 137,882 | - |
| Total | 659,005 | 659,005 | - |
| Property rates levied as from 1 July 2009 in the DMA area. | | | |
| Ambulance | 147,838 | 147,838 | 423,160 |
| Current (0 – 30 days) | 7,887,912 | 7,887,912 | 13,806,718 |
| 31 - 60 Days | 7,116,352 | 7,116,352 | 190,698 |
| 61 - 90 Days | 116,842 | 116,842 | 132,905 |
| 91 - 120 Days | 138,384 | 138,384 | 653,847 |
| + 121 Days | 15,407,338 | 15,407,338 | 14,907,226 |
| Total | 15,407,338 | 15,407,338 | 14,907,226 |
| Other | | | |
| Current (0 – 30 days) | 347,321 | 347,321 | 571,364 |
| 31 - 60 Days | 643,620 | 643,620 | 148,233 |
| 61 - 90 Days | 233,382 | 233,382 | 192,633 |
| 91 - 120 Days | 64,851 | 38,968 | 183,115 |
| + 121 Days | 264,921 | 264,921 | 3,439,741 |
| Total | 1,444,095 | 1,426,212 | 4,614,985 |
| The ambulance subsidy for the third and fourth quarter was not received, the amount of R14 627 600 is included in ambulance debtors. | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|--------------------|--------------------|
| 10.3 Reconciliation of the bad debts provision | | | |
| Balance beginning of the year | 5,600,641 | 5,600,641 | 12,166,614 |
| Contributions to provision | - | - | 848,464 |
| Bad debts written off against provision | - | - | (8,394,148) |
| Reversal of provision | (3,648,155) | (3,648,155) | (1,118,269) |
| Balance end of year | 1,952,486 | 1,952,486 | 6,500,641 |
| Amounts owed to ambulance debtors are in terms of the service level agreement with the Department of Health and provided for as bad debt. Amounts written-off refers to ambulance fees not collected and written-off. | | | |
| 10.4 Property rates | | | |
| Residential | 5,633,050 | 5,633,050 | - |
| Agricultural | 2,629,910 | 2,629,910 | - |
| Commercial | 1,045,108 | 1,045,108 | - |
| Total | 9,208,066 | 9,208,066 | - |
| Property rates levied as from the 1 July 2009 in the DMA area (farm properties). Property rates are levied in advance R685 125 (June 2010) for July 2010. | | | |
| Valuations | | | |
| Property valuations | | | |
| Residential | 646,680 | 646,680 | - |
| Agricultural | 629,695 | 629,595 | - |
| Commercial | 141,990 | 141,990 | - |
| Exempted | 5,600 | 5,600 | - |
| | 1,323,665 | 1,323,665 | - |
| 11 CALL INVESTMENT DEPOSITS | 77,474,874 | 72,619,713 | 99,131,645 |
| Other Deposits | | | |
| 12 CASH AND CASH EQUIVALENTS | | | |
| The District Municipality has the following bank account:- | | | |
| Standard Bank - Corporate account number 021307350 | | | |
| Primary account | | | |
| Cash book balance at beginning of year | 15,463,156 | 15,463,156 | 22,735,969 |
| Cash book balance at end of year | 50,600,491 | 50,600,491 | 15,463,156 |
| Bank statement balance at beginning of year | 15,522,407 | 15,522,407 | 22,805,315 |
| Bank statement balance at end of year | 50,669,167 | 50,669,167 | 15,522,407 |
| The entity has the following bank account:- | | | |
| Standard Bank - Corporate account services branch: account number 021480656 | | | |
| Primary account | | | |
| Cash book balance at beginning of year | - | - | - |
| Cash book balance at end of year | 683,970 | - | - |
| Bank statement balance at 1 August 2009 | 4,315 | - | - |
| Bank statement balance at end of year | 674,917 | - | - |
| Cash and cash equivalents | | | |
| Petty cash | 20,160 | 20,160 | 20,160 |
| Bank balance | 51,184,461 | 50,600,491 | 15,463,156 |
| Total bank and cash | 51,204,611 | 50,620,641 | 15,483,306 |
| 13 GOVERNMENT GRANTS AND SUBSIDIES | | | |
| Department of Economic Development | 2,044,492 | - | - |
| Equitable share | 12,473,174 | 12,473,174 | 10,357,000 |
| Finance management | 750,000 | 750,000 | 685,628 |
| HIV/AIDS grant | 1,859,100 | 1,859,100 | 3,536,953 |
| MSIG | 834,641 | 834,641 | 980,885 |
| Other | 26,763 | 26,763 | - |
| Provincial ambulance subsidies (agency services) | 28,417,500 | 28,417,500 | 28,777,250 |
| Provincial LED projects | 3,204 | 3,204 | - |
| RSC replacement grant | 128,898,589 | 128,898,589 | 113,098,423 |
| West Rand Development Agency subsidy | 3,417,177 | - | - |
| Total Government Grants and Subsidies | 176,724,640 | 171,262,971 | 155,436,139 |
| 13.1 Equitable Share | | | |
| In terms of the Constitution, this grant is used to subsidise the provision of services to Indigent community members. | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| 13.2 Department of Economical Development | | | |
| Balance unspent at beginning of year | - | - | - |
| Current year receipts | 4,380,608 | - | - |
| | <u>4,380,608</u> | <u>-</u> | <u>-</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| This grant is for a plastic recycling project whose aims are to contribute to a cleaner environment and job creation. The monies will be utilized for purchasing of plant and equipment, provision of allowances for identified cooperative members, skills development for cooperative members and establishment of buyback centres. | | | |
| 13.3 Provincial LEO projects | | | |
| Balance unspent at beginning of year | 3,204 | 3,204 | 3,204 |
| Conditions met - transferred to revenue | (3,204) | (3,204) | - |
| | <u>-</u> | <u>-</u> | <u>3,204</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| This grant was used to construct roads and sewerage infrastructure as part of the upgrading of informal settlement areas (included in the roads and sewerage votes in Appendix B). No funds have been withheld. | | | |
| 13.4 HIV/Aids grant | | | |
| Balance unspent at beginning of year | 2,164,544 | 2,164,544 | 1,001,497 |
| Current year receipts | - | - | 4,700,000 |
| Conditions met - transferred to revenue | (1,859,101) | (1,859,101) | (3,636,853) |
| | <u>305,443</u> | <u>305,443</u> | <u>2,164,544</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| This grant was used to finance the HIV/Aids campaigns at the WRDM and local municipalities. | | | |
| 13.5 Bekkersdal urban renewal | | | |
| Balance unspent at beginning of year | 375,032 | 375,032 | 375,032 |
| conditions still to be met - transferred to liabilities (see note 6) | <u>375,032</u> | <u>375,032</u> | <u>375,032</u> |
| This grant was used to finance the urban renewal programme on behalf of the Provincial Government, the outstanding amount is the retention on this project. | | | |
| 13.6 Other Conditional Grants | | | |
| Balance unspent at beginning of year | 26,763 | 26,763 | 71,390 |
| Current year receipts | - | - | 641,000 |
| Conditions met - transferred to revenue | (26,763) | (26,763) | (685,627) |
| | <u>-</u> | <u>-</u> | <u>26,763</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| These grants include balances of the FMG and Local Government transition grants and are used to finance expenditure according to the approved business plan. | | | |
| 13.7 MSIG | | | |
| Balance unspent at beginning of year | - | - | 245,885 |
| Current year receipts | 1,300,000 | 1,300,000 | 735,000 |
| Conditions met - transferred to revenue | (834,641) | (834,641) | (980,885) |
| | <u>465,359</u> | <u>465,359</u> | <u>-</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| This grant was utilised to finance expenditure of the implementation of the Property Rates Act and funding for the development of the IDP and performance management system. | | | |
| 13.8 MIG | | | |
| Balance unspent at beginning of year | 1,855,000 | 1,855,000 | 282,000 |
| Current year receipts | 6,617,000 | 6,617,000 | 1,673,000 |
| | <u>8,372,000</u> | <u>8,372,000</u> | <u>1,855,000</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| The Infrastructure grant is utilised to finance approved projects at the Local Municipalities. An amount of R3 213 239 was withheld as a result of MIG funding not spent. | | | |
| 13.9 LED | | | |
| Balance unspent at beginning of year | 18,573,000 | 18,573,000 | 18,573,000 |
| Conditions met - transferred to revenue | (8,425,000) | (8,425,000) | - |
| | <u>12,148,000</u> | <u>12,148,000</u> | <u>18,573,000</u> |
| Conditions still to be met - transferred to liabilities (see note 6) | | | |
| The Infrastructure grant is utilised to finance water and sanitation projects at the DMA. | | | |
| Total unspent conditional grants (note 6) | <u>26,046,342</u> | <u>21,665,834</u> | <u>22,997,643</u> |
| 14 EMPLOYEE RELATED COSTS | | | |
| Employee related costs - salaries and wages | 53,593,726 | 51,579,164 | 46,029,001 |
| Employee related costs - contributions to uif, pensions and medical aids | 14,859,218 | 14,859,218 | 12,306,614 |
| Travel, motor car, accommodation, subsistence and other allowances | 15,653,309 | 15,653,309 | 13,692,808 |
| Housing benefits and allowances | 924,971 | 924,971 | 1,008,687 |
| Overtime payments | 8,994,052 | 8,994,052 | 7,070,806 |
| Performance bonus contribution | 673,270 | 673,270 | 358,280 |
| | <u>94,698,646</u> | <u>92,583,984</u> | <u>80,464,998</u> |
| Total employee related costs | | | |
| There were no advances to employees. | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| Remuneration of the Municipal manager | | | |
| Annual remuneration | 1,056,199 | 1,056,199 | 934,689 |
| Performance bonuses | - | - | - |
| Total | 1,056,199 | 1,056,199 | 934,689 |
| Remuneration of the Chief financial officer | | | |
| Annual remuneration | 917,844 | 917,844 | 812,250 |
| Performance bonuses | 63,524 | 53,524 | - |
| Total | 971,368 | 971,368 | 812,250 |
| Remuneration of the Chief operational officer | | | |
| Annual remuneration | 917,844 | 917,844 | 812,250 |
| Performance bonuses | - | - | - |
| Total | 917,844 | 917,844 | 812,250 |
| Remuneration of the Chief executive officer - WRDA | | | |
| Annual remuneration | 703,950 | - | - |
| Performance bonuses | - | - | - |
| Total | 703,950 | - | - |
| Remuneration of individual executive directors | | | |
| 15 REMUNERATION OF COUNCILLORS | | | |
| Executive mayor | 577,198 | 577,198 | 568,675 |
| Speaker | 478,120 | 478,120 | 446,844 |
| Mayoral committee members | 2,857,979 | 2,857,979 | 2,246,900 |
| Councillors | 2,615,308 | 2,615,308 | 2,031,521 |
| Total councillors remuneration | 6,528,603 | 6,528,603 | 6,293,940 |
| In-kind benefits | | | |
| The executive mayor, chief whip, speaker and mayoral committee members are full-time. Each is provided with an office and secretarial support at the cost of the council. | | | |
| The executive mayor is entitled to stay at the mayoral residence owned by council at no cost. The executive mayor has use of a council owned vehicle for official duties. | | | |
| The executive mayor has two full-time bodyguards. | | | |
| 16 GENERAL EXPENDITURE | | | |
| CCTV surveillance | 6,126,316 | 6,126,316 | - |
| Deepening democracy | - | - | 1,766,732 |
| Entertainment | 1,068,745 | 1,078,015 | 796,397 |
| External audit fees | 1,235,160 | 1,235,160 | 1,126,728 |
| Insurance premium/excess payments | 1,094,101 | 1,094,101 | 1,818,121 |
| Landscapeing | 1,098,522 | 1,098,522 | 25,704 |
| Lease equipment - operational cost | 2,141,004 | 2,141,004 | 1,651,786 |
| Levies: electricity/water/sewerage/refuse | 2,109,126 | 1,984,238 | 2,381,241 |
| Other cost | 8,054,665 | 7,917,551 | 8,827,215 |
| Professional fees | 14,130,133 | 13,699,107 | 13,708,628 |
| Projects infrastructure | - | - | 2,685,856 |
| Security services | 1,382,444 | 828,359 | 1,308,697 |
| Soccer 2010 world cup | 2,711,019 | 2,711,019 | - |
| Special programmes | 6,631,369 | 6,631,369 | 5,345,213 |
| Stock and material | 1,292,619 | 1,175,276 | 1,116,448 |
| Telephone cost/internet line/data cards | 2,177,659 | 2,076,880 | 1,876,100 |
| Training employees/Levy | 1,699,416 | 1,699,416 | 1,757,789 |
| Uniforms | 1,029,358 | 1,029,358 | 516,472 |
| Vehicles : fuel | 1,093,165 | 1,093,165 | 1,313,811 |
| | 63,992,739 | 62,417,872 | 47,889,948 |
| 16.1 Payment to board members: | | | |
| Chairperson | 101,288 | - | - |
| Board members | 283,877 | - | - |
| Total | 385,165 | - | - |
| The board consists of a chairperson and 8 board members and is remunerated when attending a meeting. | | | |
| 17 OTHER INCOME | | | |
| Insurance claims | 505,403 | 505,403 | 187,892 |
| Sale of redundant assets/ refuse bags | 118,719 | - | 322,946 |
| Sundry revenue | 1,269,784 | 1,269,784 | - |
| Training: SETA | 433,601 | 433,601 | - |
| Other | 253,871 | 108,602 | 6,401,662 |
| | 2,581,278 | 2,317,290 | 6,912,490 |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|--|--------------------|-------------------|-------------------|
| 18 INTEREST PAID | | | |
| Long-term liabilities | 1,425,288 | 1,425,288 | 1,636,337 |
| Total Interest on external borrowings | <u>1,425,288</u> | <u>1,425,288</u> | <u>1,636,337</u> |
| 19.1 CORRECTION OF ERROR | | | |
| 19.1.1 Government grant reserve | | | |
| Balance previously reported | 20,385,558 | | |
| Correction of asset value | 373,167 | | |
| Correction of depreciation value | (49,756) | | |
| Government grant balance restated | <u>20,688,969</u> | | |
| Donated vehicle and fire equipment received from province for the use of fire prevention. | | | |
| 19.1.2 Revaluation reserve | | | |
| Balance previously reported | 32,687,449 | | |
| Correction (land) | 2,016,000 | | |
| Revaluation reserve balance restated | <u>34,903,449</u> | | |
| Land value DMA area. | | | |
| 19.1.3 Long-term Liabilities | | | |
| Balance previously reported | 6,595,581 | | |
| Correction - cell phones | (8,000) | | |
| Correction - vehicles | 17,808 | | |
| Long-term liabilities balance restated | <u>6,607,389</u> | | |
| Balance corrections on cell phone and vehicle leases. | | | |
| 19.1.4 Creditors | | | |
| Balance previously reported | 6,404,221 | | |
| Correction | 982,198 | | |
| Creditors balance restated | <u>7,386,419</u> | | |
| Correction on leased fire vehicles - three instalments to Marce Fire R869 080. Salary advances now disclosed as debtors and not net movement in creditors R30 408, payments received in advance R82 711. | | | |
| 19.1.5 Assets | | | |
| Balance previously reported | 133,892,832 | | |
| Revaluation | 4,689,476 | | |
| Assets balance restated | <u>138,582,408</u> | | |
| Correction of zero assets values (furniture, computer equipment, vehicles, plant and equipment). | | | |
| 19.1.6 Depreciation | | | |
| Balance previously reported | 63,295,287 | | |
| Correction | 498,015 | | |
| Depreciation balance restated | <u>63,792,302</u> | | |
| Correction of zero assets depreciation values (furniture, computer equipment, vehicles, plant and equipment). | | | |
| 19.1.7 Debtors | | | |
| Balance previously reported | 13,812,247 | | |
| Correction (disclosure) | 109,324 | | |
| Debtors balance restated | <u>13,921,571</u> | | |
| Correction: disclosure of salary advances R30 408, deposits paid R78 016 and other debtors R900. | | | |
| 19.1.8 Value added taxation | | | |
| Balance previously reported | 3,811,358 | | |
| Correction (vat audit) | 9,005 | | |
| Value added taxation balance restated | <u>3,820,361</u> | | |
| Value added taxation audit undertaken by Max Prof, adjustment of differences. | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| 19.2 Impact on statement of net assets | | | |
| Previously reported | | | 60,694,687 |
| Correction of error statement of financial performance (19.2.2) | | | 66,810 |
| Correction of error accumulated surplus | | | 911,563 |
| Adjustment zero assets | | | 916,687 |
| Adjustment depreciation donated assets | | | 49,758 |
| Adjustment accounting errors | | | (53,660) |
| Accumulated surplus for the year 30 June 2009 restated balance | | | <u>61,673,050</u> |
| 19.2.2 Impact on statement of financial performance | | | 24,318,239 |
| Previously reported | | | 66,810 |
| Correction of errors | | | 7,050 |
| Adjustment revenue services charges | | | (14,294) |
| Adjustment salaries | | | 65,049 |
| Adjustment depreciation | | | 9,005 |
| Adjustment general expenditure | | | <u>24,385,049</u> |
| Surplus for the year 30 June 2009 restated balance | | | |
| 19.3 CHANGE IN ACCOUNTING POLICY | | | |
| Implementation of GRAP 17 | | | |
| 19.3.1 Assets | | | |
| Assets donated to West Rand Development Agency | 23,340,779 | - | - |
| Overstatement of asset value (chairs) | (7,814) | - | - |
| Values: zero assets (computer, scale) | 1,684 | - | - |
| Adjustment of assets values | <u>23,340,849</u> | <u>-</u> | <u>-</u> |
| 19.3.2 Depreciation | | | |
| Assets donated to West Rand Development Agency | (8,743,052) | - | - |
| Overstatement of depreciation value | 8,829 | - | - |
| Adjustment of depreciation value | <u>(8,736,223)</u> | <u>-</u> | <u>-</u> |
| 19.3.3 Impact on statement of net assets | | | |
| Assets | (5,930) | - | - |
| Depreciation | 6,829 | - | - |
| Total correction of error | <u>899</u> | <u>-</u> | <u>-</u> |
| Adjustment of asset and depreciation values. | | | |
| 20 CASH GENERATED BY OPERATIONS | | | |
| Surplus/(deficit) for the year | 10,019,214 | 8,385,880 | 24,385,049 |
| Adjustment for: | | | |
| Depreciation | 11,841,560 | 11,361,976 | 10,094,603 |
| Gain/loss on disposal of property, plant and equipment | - | - | (270,801) |
| Other transfers (prev yr errors) | 184,239 | 184,239 | (1,070,090) |
| Contribution to provisions/reserves - non-current | 18,182,618 | 18,182,618 | (6,559,825) |
| Interest paid | 1,425,288 | 1,425,288 | 1,638,337 |
| Investment Income | (10,238,716) | (9,888,655) | (12,950,535) |
| Operating surplus before working capital changes: | <u>31,414,203</u> | <u>29,651,426</u> | <u>16,265,638</u> |
| (Increase)/Decrease in Inventories | (62,903) | (39,976) | 38,948 |
| (Increase)/decrease in debtors: property | (485,634) | (485,634) | - |
| (Increase)/decrease in debtors: other | (1,420,853) | (1,217,186) | (9,810,120) |
| (Increase)/decrease in value added taxation receivable | 1,694,049 | 1,694,049 | (64,789) |
| (Increase)/decrease in current portion of long-term debtors | 48,209 | 48,209 | 149,977 |
| Increase/(decrease) in other provisions & reserves | (17,584,344) | (17,584,344) | 7,266,385 |
| (Decrease)/increase in unspent conditional grants and receipts | 3,048,799 | (1,331,709) | 21,018,635 |
| (Decrease)/increase in value added taxation | - | - | (419,138) |
| (Decrease)/increase in creditors | 5,645,367 | 4,397,444 | (1,185,985) |
| Other adjustments | 38,138 | 38,138 | 65,498 |
| Cash generated by/(utilised in) operations | <u>22,343,131</u> | <u>15,168,618</u> | <u>32,301,945</u> |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|--|--------------------|--------------------|--------------------|
| 21 CASH AND CASH EQUIVALENTS | | | |
| Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position : | | | |
| Bank balances and cash | 51,202,641 | 50,620,641 | 15,483,303 |
| Call investment deposits | 77,474,874 | 72,619,713 | 99,131,645 |
| Total cash and cash equivalents | <u>128,679,485</u> | <u>123,240,354</u> | <u>114,614,951</u> |
| 22 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION | | | |
| Long-term liabilities (see Note 2) | 13,455,274 | 13,455,274 | 16,725,331 |
| Used to finance property, plant and equipment – local municipalities | 13,455,274 | 13,455,274 | 16,725,331 |
| Total | <u>-</u> | <u>-</u> | <u>-</u> |
| Long-term liabilities have been utilised to finance assets on behalf of the Local Municipalities and these assets are not included in the asset register of the District Municipality. | | | |
| 23 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT | | | |
| 23.1 Contributions to organised local government | | | |
| Opening balance | 509,684 | 509,684 | 403,397 |
| Council subscriptions | (509,684) | (509,684) | (403,397) |
| Amount paid - current year | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> | <u>-</u> |
| 23.2 Audit fees | | | |
| Opening balance | 1,408,105 | 1,408,105 | 1,126,728 |
| Current year audit fee | (1,408,105) | (1,408,105) | (1,126,728) |
| Amount paid - current year | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> | <u>-</u> |
| 23.3 VALUE ADDED TAXATION | | | |
| Value added taxation inputs received and value added taxation outputs received are shown in note 6. All value added taxation returns have been submitted by the due date throughout the year. | | | |
| 23.4 PAYE and UIF | | | |
| Opening balance | 14,707,084 | 14,337,414 | 12,007,055 |
| Current year payroll deductions | (14,707,084) | (14,337,414) | (12,007,055) |
| Amount paid - current year | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> | <u>-</u> |
| 23.5 Pension and medical aid deductions | | | |
| Opening balance | 23,198,398 | 23,198,398 | 18,607,120 |
| Current year payroll deductions and Council Contributions | (23,198,398) | (23,198,398) | (18,607,120) |
| Amount paid - current year | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> | <u>-</u> |
| 24 CAPITAL COMMITMENTS | | | |
| Commitments in respect of capital expenditure: | | | |
| Approved and contracted for :- | | | |
| Infrastructure | 14,173,400 | 14,173,400 | 23,821,590 |
| Community | 12,637,660 | 12,637,660 | 2,072,000 |
| Other | 4,679,000 | 2,788,000 | - |
| Total | <u>31,489,960</u> | <u>29,698,960</u> | <u>25,893,590</u> |
| This expenditure will be financed from: | | | |
| Government grants | 14,039,000 | 12,148,000 | 4,376,000 |
| Own resources | 17,450,960 | 17,450,960 | 21,517,590 |
| Total | <u>31,489,960</u> | <u>29,698,960</u> | <u>25,893,590</u> |
| 25 RETIREMENT BENEFIT INFORMATION | | | |
| Most councillors and employees belong to 3 defined benefit retirement funds, administered by the different administrators. These funds are subject to a triennial actuarial valuation. The last valuation was performed in 2008. These valuations indicate that the funds are in a sound financial position. | | | |
| An amount of R14,3m was contributed by council in respect of councillors and employees retirement funding. These contributions have been expensed. | | | |
| 26 EVENTS AFTER THE REPORTING DATE | | | |
| Merafong fire department transferred to West Rand District Council as from 1 July 2010. | | | |
| Merafong flora transferred from Dr Kenneth Kaunda District Municipality to the WRDM as from 1 July 2010. | | | |
| 27 COMPARISON WITH THE BUDGET | | | |
| The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexure E(1) and E(2). | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

Notes to the Group Annual Financial Statements

| | 2010 R GROUP | 2010 R WRDM | 2009 R WRDM |
|---|--------------------|-------------------|-------------------|
| 28 LEASES | | | |
| The Municipality complies with the general recognised accounting practise on leases (GRAP 13). None of the operating lease agreements provide for any escalation and the lease payments therefore remain the same for the lease period. No additional disclosure in this regard is included for the above reason. | | | |
| The total of future minimum lease payments under non-cancellable finance leases for each of the following periods: | | | |
| (i) Not later than one year; | 3,139,094 | 3,117,631 | 570,648 |
| (ii) Later than one year and not later than five years; | 2,223,499 | 2,223,499 | 6,024,935 |
| (iii) Later than five years. | | | |
| 29 DEVIATIONS FROM PROCUREMENT PROCESSES | | | |
| Deviations from official procurement processes to the value of R3 645 822 occurred during the 2009/2010 financial period. | | | |
| 30 RISK MANAGEMENT | | | |
| 30.1 Maximum Credit Risk Exposure | | | |
| Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The municipality only invest with the four major banks with high quality credit standing and limits exposure to any counter-party. | | | |
| Absa Bank | 18,155,046 | 18,155,046 | 38,430,183 |
| Standard Bank | 23,010,918 | 18,155,767 | 11,138,566 |
| First National Bank | 18,155,046 | 18,155,046 | 11,138,566 |
| Nedbank | 18,153,884 | 18,153,884 | 38,428,350 |
| Total | 77,474,874 | 72,619,713 | 99,131,645 |
| 30.2 Liquidity risk | | | |
| The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments. Cash flow forecasts are prepared monthly and adequate funds are made available for commitments. | | | |
| Gross finance lease obligations | 6,362,693 | 5,341,130 | 5,607,389 |
| Borrowings -DBSA loans | 13,455,274 | 13,455,274 | 15,725,331 |
| 30.3 Interest Rate Risk | | | |
| As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates as are substantially of changes in market interest rates. | | | |
| 31 RELATED PARTIES | | | |
| To the best of the WRDMs knowledge and taking into account all disclosures made, no councillor or official has any direct or indirect personal or private business in any matter before the council, or acquired or stand to acquire any direct benefit from a contract concluded with the municipality. | | | |
| 32 SHAREHOLDING | | | |
| Name | % of holding | | |
| West Rand Development Agency | 100 | | |
| The WRDA was established as an entity on the 1 October 2009 and only in operation at 1 August 2009. There was no changes in the shareholding from 1 August 2009 to 31 January 2010. | | | |
| 32.1 Shareholding premium | | | |
| Assets were contributed by the WRDM for the establishment of the entity. | | 14,678,528 | * |
| 33 IRREGULAR EXPENDITURE | | | |
| Reconciliation of irregular expenditure: | | | |
| Opening balance | 503,746 | 503,746 | - |
| Irregular expenditure incurred during the year | - | - | 503,746.00 |
| Condoned or written off by Council | - | - | - |
| Closing balance | 603,746 | 603,746 | 503,746.00 |
| Incident: Non adherence to supply chain procedures. | | | |
| 34 CONTINGENT LIABILITIES | | | |
| Outstanding salary claims against council | | 68,740 | 68,740 |
| J Jordaan | | | |
| Arbitration award for two months salary to the amount of R68 740 as a result of a dispute referred to the Bargaining Council. | | | |
| NO Blaaf | | | |
| Not appointed as Internal auditor. Dispute referred to the Bargaining Council (amount unknown). | | | |
| RJ Mokoto | | | |
| Compensation for suspension more than three months, matter referred to the Bargaining Council (amount unknown). | | | |
| 35 Revenue forgone | | | |
| In terms of the Municipal Property Rates Act 6 of 2004, newly rateable properties must be phased in over a period of three financial years, in accordance to Section 21 of the Act. | | | |
| In the first year, be at least 75 per cent of the rate for that year otherwise applicable to the property; | | | |
| In the second year, be at least 60 per cent of the rate for that year otherwise applicable to the property; and | | | |
| In the third year, be at least 25 per cent of the rate for that year otherwise applicable to the property; | | | |

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX A
Schedule of External Loans

| Group External borrowings | Loan number | Redeemable | Balance at 30 June 2009 R | Received during the period R | Redeemed written off during the period R | Balance at 30 June 2010 R |
|----------------------------------|----------------|------------|---------------------------------|---------------------------------------|--|---------------------------------|
| Annuity loans | | | | | | |
| DBSA loan 10% | LRF0002 | 2014-09-30 | 979,125 | - | (141,343) | 837,782 |
| DBSA loan 10% | LRF0003 | 2014-09-30 | 3,379,258 | - | (487,819) | 2,891,439 |
| DBSA loan 10% | LRF0004 | 2014-09-30 | 6,790,329 | - | (980,230) | 5,810,099 |
| DBSA loan 10% | LRF0005 | 2014-09-30 | 3,357,133 | - | (484,625) | 2,872,508 |
| DBSA loan 10% | LRF0006 | 2014-09-30 | 577,014 | - | (83,295) | 493,719 |
| DBSA loan 10% | 9499/2 | 2014-09-30 | 642,472 | - | (92,745) | 549,727 |
| | | | 15,725,331 | - | (2,270,057) | 13,455,274 |
| MTN cell phone contracts | | | 781,595 | 284,785 | (636,906) | 429,474 |
| Standard Bank lease vehicles | | | 4,389,068 | 4,146,457 | (3,741,596) | 4,793,929 |
| Zevoli rentals | | | 436,726 | 191,133 | (488,669) | 139,190 |
| | | | 5,607,389 | 4,622,375 | (4,867,171) | 5,362,593 |
| Total external borrowings | | | 21,332,720 | 4,622,375 | (7,137,228) | 18,817,867 |
| | | | | | | |

| WRDM External borrowings | Loan number | Redeemable | Balance at 30 June 2009 R | Received during the period R | Redeemed written off during the period R | Balance at 30 June 2010 R |
|----------------------------------|----------------|------------|---------------------------------|---------------------------------------|--|---------------------------------|
| Annuity loans | | | | | | |
| DBSA loan 10% | LRF0002 | 2014-09-30 | 979,125 | - | (141,343) | 837,782 |
| DBSA loan 10% | LRF0003 | 2014-09-30 | 3,379,258 | - | (487,819) | 2,891,439 |
| DBSA loan 10% | LRF0004 | 2014-09-30 | 6,790,329 | - | (980,230) | 5,810,099 |
| DBSA loan 10% | LRF0005 | 2014-09-30 | 3,357,133 | - | (484,625) | 2,872,508 |
| DBSA loan 10% | LRF0006 | 2014-09-30 | 577,014 | - | (83,295) | 493,719 |
| DBSA loan 10% | 9499/2 | 2014-09-30 | 642,472 | - | (92,745) | 549,727 |
| | | | 15,725,331 | - | (2,270,057) | 13,455,274 |
| MTN cell phone contracts | | | 781,595 | 242,476 | (616,060) | 408,011 |
| Standard Bank lease vehicles | | | 4,389,068 | 4,146,457 | (3,741,596) | 4,793,929 |
| Zevoli rentals | | | 436,726 | 191,133 | (488,669) | 139,190 |
| | | | 5,607,389 | 4,580,066 | (4,846,325) | 5,341,130 |
| Total external borrowings | | | 21,332,720 | 4,580,066 | (7,116,382) | 18,796,404 |
| | | | | | | |

West Rand District Municipality
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX B
Analysis of Property, Plant and Equipment

| Group | Cost/Revaluation | | | | | | Accumulated Depreciation | | | | Carrying value | Budget | |
|----------------------------|--------------------|----------------------------|-------------------|--------------------|-------------------------|--------------------|--------------------------|----------------------------|---------------------|------------------|-------------------------|---------------------|-------------------|
| | Opening balance | Restated balance June 2009 | Additions | Disposals | Transfers & corrections | Closing balance | Opening balance | Restated balance June 2009 | Additions | Disposals | Transfers & corrections | Closing balance | |
| Buildings | | | | | | | | | | | | | |
| Land and buildings | 94,502,074 | 86,209,411 | 140,426 | - | - | 86,349,837 | (47,578,767) | (35,822,396) | (2,067,567) | - | 27,504 | (37,862,459) | 48,487,378 |
| | 94,502,074 | 86,209,411 | 140,426 | - | - | 86,349,837 | (47,578,767) | (35,822,396) | (2,067,567) | - | 27,504 | (37,862,459) | 48,487,378 |
| Infrastructure | | | | | | | | | | | | | |
| Drains | - | 909,900 | - | - | - | 909,900 | - | (655,128) | -18,198 | - | - | (673,326) | 236,574 |
| Roads | - | 5,957,723 | 5,746,302 | - | - | 11,704,025 | - | (3,725,269) | (65,184) | - | - | (3,790,453) | 7,913,572 |
| Water mains & purification | 2,391,576 | 2,391,576 | 100,245 | - | - | 2,491,821 | (63,228) | (63,228) | - | - | - | (214,423) | 2,277,398 |
| Pedestrian facilities | - | 166,400 | - | - | - | 166,400 | - | (116,480) | (16,640) | - | - | (133,120) | 33,280 |
| Security measures | 335,832 | 8,423,841 | - | - | - | 8,423,841 | (131,158) | (4,786,839) | (511,622) | - | - | (5,298,461) | 3,125,380 |
| | 2,727,408 | 17,849,440 | 5,846,547 | - | - | 23,695,987 | (194,386) | (9,346,944) | (762,839) | - | - | (10,109,783) | 13,586,204 |
| Community assets | | | | | | | | | | | | | |
| Recreation grounds | 9,911,080 | - | - | - | - | - | - | - | - | - | - | - | - |
| Cemeteries | 81,000 | 81,000 | - | - | - | 81,000 | - | - | - | - | - | 81,000 | - |
| | 9,992,080 | 81,000 | - | - | - | 81,000 | - | - | - | - | - | 81,000 | - |
| Heritage Assets | | | | | | | | | | | | | |
| Paintings & art galleries | - | 4,298 | 9,557 | - | - | - | 13,855 | - | (4,279) | (365) | - | (4,644) | 9,211 |
| | - | 4,298 | 9,557 | - | - | - | 13,855 | - | (4,279) | (365) | - | (4,644) | 9,211 |
| Other Assets | | | | | | | | | | | | | |
| Computer equipment | 4,403,585 | 960,224 | - | - | 500 | 5,364,309 | - | (2,957,933) | (1,212,275) | - | - | (4,170,208) | 1,194,101 |
| Emergency equipment | 2,513,523 | 587,331 | - | - | - | 3,100,854 | (3,735,164) | (1,174,826) | (500,744) | - | - | (1,675,570) | 1,425,284 |
| Fire engines | 8,348,752 | - | - | - | - | 8,348,752 | - | (3,691,602) | (2,516,947) | - | - | (6,208,549) | 2,140,203 |
| Furniture & fittings | 3,455,319 | 177,904 | - | (8,933) | 3,624,290 | (1,844,567) | (2,047,421) | (842,342) | - | 6,829 | (2,882,934) | 741,356 | |
| Motor vehicles | 1,379,538 | 907,486 | - | - | 907,486 | (833,960) | (505,826) | (184,184) | - | 5,405 | (684,605) | 222,881 | |
| Office equipment | 7,969,429 | 4,275,941 | - | - | 82,329 | 4,358,270 | (5,407,008) | (2,374,606) | (817,179) | - | (3,191,785) | 1,166,485 | |
| Other transport | 20,340 | 20,340 | - | - | - | 20,340 | (11,525) | (1,356) | - | - | (12,881) | 7,459 | |
| Plant & equipment | 3,383,777 | 5,767,865 | 2,278,574 | - | 1,184 | 8,047,623 | (2,277,336) | (3,371,096) | (767,749) | - | - | (4,138,845) | 3,908,778 |
| | 22,386,276 | 29,692,811 | 4,004,033 | - | 75,080 | 33,771,924 | (14,109,560) | (16,134,835) | (6,842,776) | - | 12,234 | (22,965,377) | 10,806,547 |
| Leased assets | | | | | | | | | | | | | |
| 4,285,094 | 4,745,448 | 4,409,844 | (1,175,370) | (159,681) | 7,820,241 | (1,413,573) | (2,483,848) | (2,168,013) | 1,175,370 | 41,659 | (3,434,832) | 4,385,409 | |
| 4,285,094 | 4,745,448 | 4,409,844 | (1,175,370) | (159,681) | 7,820,241 | (1,413,573) | (2,483,848) | (2,168,013) | 1,175,370 | 41,659 | (3,434,832) | 4,385,409 | |
| | 133,892,932 | 138,582,408 | 14,410,407 | (1,175,370) | (84,601) | 151,732,844 | (63,296,286) | (63,792,302) | (11,841,560) | 1,175,370 | 81,397 | (74,377,095) | 77,355,749 |
| TOTAL | | | | | | | | | | | | | |

West Rand District Municipality

Group Annual Financial Statements for the year ended 30 June 2010

APPENDIX B
Analysis of Property, Plant and Equipment

| WRDM | Cost/Revaluation | | | | | | Accumulated Depreciation | | | | | | Carrying value | Budget |
|--------------------------------------|--------------------|----------------------------|-------------------|---------------------|--------------------|-------------------------|--------------------------|----------------------------|---------------------|---------------------|------------------|-------------------------|----------------|---------------------|
| | Opening balance | Restated balance June 2009 | Additions | Transfers to WRDA | Disposals | Transfers & corrections | Opening balance | Restated balance June 2009 | Additions | Transfers to WRDA | Disposals | Transfers & corrections | | |
| Buildings | | | | | | | | | | | | | | |
| Land and buildings | 94,502,074 | 86,209,411 | 140,426 | (15,763,838) | - | - | 70,585,999 | (47,578,767) | (35,822,396) | (1,901,092) | 3,753,623 | - | 27,504 | (33,942,361) |
| Buildings | 94,502,074 | 86,209,411 | 140,426 | (15,763,838) | - | - | 70,585,999 | (47,578,767) | (35,822,396) | (1,901,092) | 3,753,623 | - | 27,504 | (33,942,361) |
| Infrastructure | | | | | | | | | | | | | | |
| Drains | - | 909,900 | - | - | - | - | 909,900 | - | - | - | - | - | - | - |
| Roads | - | 5,957,723 | 5,746,302 | (1,683,600) | - | - | 10,020,425 | - | (655,128) | -18,198 | - | - | - | (673,326) |
| Water mains & purification | 2,391,576 | 2,391,576 | 100,245 | - | - | - | 2,491,821 | (63,228) | (3,725,289) | (51,501) | 1,051,171 | - | - | (2,725,599) |
| Pedestrian facilities | - | 186,400 | - | - | - | - | 166,400 | - | (116,480) | (16,640) | - | - | - | (214,423) |
| Security measures | 335,832 | 8,423,841 | (4,296,173) | - | - | - | 4,127,688 | (131,158) | (4,786,859) | (371,845) | 2,502,280 | - | - | (133,120) |
| Community assets | 2,727,408 | 17,819,440 | 5,846,547 | (5,379,773) | - | - | 17,716,214 | (194,386) | (9,346,944) | (609,379) | 3,553,451 | - | - | (2,656,404) |
| Community assets | - | - | - | - | - | - | - | - | - | - | - | - | - | (6,402,872) |
| Recreation grounds | 9,911,080 | - | - | - | - | - | - | - | - | - | - | - | - | (11,313,342) |
| Cemeteries | 81,000 | 81,000 | - | - | - | - | 81,000 | - | - | - | - | - | - | - |
| Heritage Assets | 9,932,080 | 81,000 | - | - | - | - | 81,000 | - | - | - | - | - | - | - |
| Paintings & art galleries | | | | | | | | | | | | | | |
| - | 4,298 | 9,557 | - | - | - | - | 13,855 | - | (4,279) | (365) | - | - | - | (4,644) |
| - | 4,298 | 9,557 | - | - | - | - | 13,855 | - | (4,279) | (365) | - | - | - | (4,644) |
| Other Assets | | | | | | | | | | | | | | |
| Computer equipment | - | 4,403,585 | 934,529 | (28,477) | - | - | 62,328 | 5,391,966 | - | (1,199,777) | 11,056 | - | - | (4,146,655) |
| Emergency equipment | 6,394,982 | 2,513,523 | 587,331 | - | - | - | 3,100,864 | (3,735,164) | (1,174,826) | (500,744) | - | - | - | (1,675,570) |
| Fire engines | - | 8,348,752 | - | - | - | - | 8,348,752 | (3,691,602) | (2,516,947) | (603,332) | 28,700 | - | - | (2,820,549) |
| Furniture & fittings | 3,288,210 | 3,455,319 | 177,904 | (129,845) | - | - | 3,502,059 | (1,844,567) | (2,047,421) | (505,826) | (184,184) | - | - | (2,822,053) |
| Motor vehicles | 1,379,538 | 907,486 | - | - | - | - | 907,486 | (833,960) | (2,374,606) | (814,307) | 3,410 | - | - | (684,605) |
| Office equipment | 7,989,429 | 4,275,941 | - | (22,035) | - | - | 4,255,306 | (5,407,008) | (2,115,525) | (1,356) | - | - | - | (3,185,503) |
| Other transport | 20,340 | 20,340 | - | - | - | - | 20,340 | - | (11,525) | (3,371,096) | (682,250) | 1,390,664 | - | (12,881) |
| Plant & equipment | 3,383,777 | 5,767,865 | 234,082 | (1,395,463) | - | - | 4,606,84 | (2,277,336) | (14,109,560) | (16,134,835) | (6,702,897) | 1,433,829 | - | (2,662,632) |
| Leased assets | 4,285,094 | 4,745,448 | 4,396,909 | (27,348) | (1,175,370) | - | 7,776,858 | (1,413,573) | (2,483,848) | (2,148,243) | 2,149 | 1,175,370 | 41,659 | (3,412,913) |
| Leased assets | 4,285,094 | 4,745,448 | 4,396,909 | (27,348) | (1,175,370) | - | 7,776,858 | (1,413,573) | (2,483,848) | (2,148,243) | 2,149 | 1,175,370 | 41,659 | (3,412,913) |
| TOTAL | 133,392,932 | 138,582,408 | 12,327,285 | (23,346,779) | (1,175,370) | (81,771) | 126,305,773 | (63,396,286) | (63,732,302) | (11,361,976) | 8,743,052 | 1,175,370 | 74,568 | (65,161,288) |
| | | | | | | | | | | | | | | |

WEST RAND DISTRICT MUNICIPALITY
 Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX C

Segmental analysis of Property, Plant and Equipment

| Group | Opening balance | Restated balance June 2009 | Cost/revaluation | | | Accumulated depreciation | | | Carrying value | Budget |
|------------------------|--------------------|----------------------------|-------------------|--------------------|-------------------------|--------------------------|---------------------|----------------------------|------------------|---------------|
| | | | Additions | Disposals | Transfers & corrections | Closing balance | Opening balance | Restated balance June 2009 | | |
| Executive & council | 4,332,472 | 790,291 | (400,575) | 85,226 | 4,807,412 | (1,986,196) | (2,111,003) | (1,489,463) | 74,568 | (3,135,319) |
| Finance & admin | 57,173,775 | 1,571,011 | (161,936) | (37,694) | 58,797,169 | (31,448,229) | (3,773,446) | (3,587,174) | - | (35,198,684) |
| Planning & development | 40,862,777 | 7,923,893 | (49,434) | (63,895) | 50,749,642 | (15,222,554) | (15,545,931) | (1,237,394) | 6,823 | (16,828,602) |
| Health | 651,476 | 561,984 | (62,245) | 1,793 | 500,534 | (421,756) | (381,404) | (117,355) | 63,243 | (426,112) |
| Public safety | 15,872,801 | 17,982,079 | (503,175) | (124,403) | 21,434,048 | (3,404,602) | (7,55,897) | (4,923,607) | 503,178 | (13,176,325) |
| Sport & recreation | 17,820,662 | 4,099,550 | - | (340) | 17,820,662 | (5,93,355) | (119,498) | (254,455) | - | (5,447,850) |
| Road transport | 148,588 | 158,555 | 25,652 | - | 183,377 | (109,554) | (34,604) | (11,841,260) | - | (154,142) |
| TOTAL | 136,452,932 | 141,142,408 | 14,310,407 | (1,175,370) | 154,292,844 | (63,296,286) | (63,792,302) | 11,841,260 | 1,175,370 | 91,397 |
| | | | | | | | | | | |

| WRDM | Opening balance | Restated balance June 2009 | Cost/revaluation | | | Accumulated depreciation | | | Carrying value | Budget |
|------------------------|--------------------|----------------------------|-------------------|---------------------|--------------------|--------------------------|----------------------|---------------------|------------------|---------------|
| | | | Additions | Transfers to WRDA | Disposals | Transfers & corrections | Disposals | Transfers to WRDA | | |
| Executive & council | 4,122,853 | 4,332,472 | 790,291 | - | (400,575) | 4,807,412 | (1,986,196) | (2,111,003) | 74,568 | (3,135,319) |
| Finance & admin | 57,173,775 | 57,425,773 | 1,532,381 | - | (40,794,00) | 58,523,453 | (31,448,229) | (3,773,446) | - | (35,198,684) |
| Planning & development | 40,862,777 | 42,880,373 | 5,879,401 | (5,525,117,60) | 43,184,963 | (2,765,00) | (15,722,554) | (15,343,931) | - | (13,035,831) |
| Health | 651,476 | 561,984 | (62,243) | (63,243) | 500,534 | (421,756) | (381,404) | (117,355) | - | (426,112) |
| Public safety | 15,872,801 | 17,982,079 | (503,175) | (124,403) | 21,434,048 | (3,404,602) | (7,55,897) | (4,923,607) | 503,178 | (13,176,325) |
| Sport & recreation | 17,820,662 | 17,820,662 | 158,555 | - | 183,377 | (109,554) | (34,604) | (11,841,260) | - | (154,142) |
| Road transport | 148,588 | - | 25,652 | - | (340) | - | - | - | - | - |
| TOTAL | 136,452,932 | 141,142,408 | 12,327,285 | (23,346,779) | (1,175,370) | (61,771,00) | (123,365,773) | (63,296,286) | 1,175,370 | 74,568 |
| | | | | | | | | | | |

WEST RAND DISTRICT MUNICIPALITY

APPENDIX D
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX E(1)

Actual Versus Budget (Revenue & Expenditure)

| Group | Actual R | Budget R | Variance R | Variance | Explanation of significant Variances |
|---------------------------------------|--------------------|--------------------|---------------------|----------|--|
| REVENUE | | | | | |
| Property rates | 9,208,066 | 8,758,000 | (450,066) | -5% | Implementation of property rates act |
| Service charges | 3,598,056 | 3,373,360 | (224,696) | -7% | Additional levies on fire services |
| Rental of facilities & equipment | 1,517,740 | 1,311,780 | (205,960) | -16% | Additional Income received |
| Interest earned - external investment | 10,238,716 | 9,200,000 | (1,038,716) | -11% | Surplus cash invested |
| Interest earned - outstanding debtors | 49,287 | 40,000 | (9,287) | -23% | Handovers on debtors |
| Licenses & permits | 117,966 | 100,820 | (17,146) | -17% | Income did not occur |
| Income for agency service | 28,417,500 | 27,780,000 | (637,500) | -2% | Additional subsidy received |
| Government grants and subsidies | 148,307,140 | 167,185,390 | 18,878,250 | 11% | All grants did not materialised |
| Other income | 2,581,278 | 35,089,960 | 32,508,682 | 93% | Utilisation of surplus funds carried over from previous financial year |
| Sub total revenue | 204,035,749 | 252,839,310 | 51,386,932 | | |
| Less: revenue forgone | (7,389,620) | (7,158,000) | 231,620 | -3% | Rebates for property rates |
| Total revenue | 196,646,129 | 245,681,310 | 51,618,552 | | |
| EXPENDITURE | | | | | |
| Employee related costs | 94,598,546 | 97,324,930 | 2,726,384 | 3% | Vacancies not filled |
| Remuneration councillors | 6,528,603 | 6,694,060 | 165,457 | 2% | Expenditure did not occur |
| Remuneration of board members | 365,163 | 561,800 | 196,637 | 35% | Meetings not held regular |
| Bad debts written-off | 2,744,686 | 3,119,000 | 374,314 | 12% | Bad debt provision adjusted |
| Collection costs | 11,413 | 66,200 | 54,787 | 83% | Less accounts handed over to debt collectors |
| Depreciation and impairment | 11,841,560 | 7,902,700 | (3,938,860) | -50% | Assets with values less than R2000 depreciated |
| Repairs & maintenance | 2,989,445 | 5,770,670 | 2,781,225 | 48% | Leased vehicles with full maintenance plan |
| Interest on external borrowings | 1,425,288 | 1,538,490 | 113,202 | 7% | Less interest paid to DBSA |
| Contracted services | 6,000 | 200,000 | 194,000 | 97% | Expenditure did not occur |
| Grants & Subsidies paid | 12,123,472 | 24,134,190 | 12,010,718 | 50% | Projects not completed |
| General expenses- other | 53,992,739 | 96,912,410 | 42,919,671 | 44% | Expenditure did not occur |
| Total expenditure | 186,626,915 | 244,224,450 | 105,365,050 | | |
| SURPLUS | 10,019,214 | 1,456,860 | (53,746,498) | | |

| WRDM | Actual R | Budget R | Variance R | Variance | Explanation of significant Variances |
|---------------------------------------|--------------------|--------------------|--------------------|----------|--|
| REVENUE | | | | | |
| Property rates | 9,208,066 | 8,758,000 | (450,066) | -5% | Implementation of property rates act |
| Service charges | 3,598,056 | 3,373,360 | (224,696) | -7% | Additional levies on fire services |
| Rental of facilities & equipment | 1,485,764 | 1,278,350 | (207,414) | -16% | Additional Income received |
| Interest earned - external investment | 9,888,555 | 9,000,000 | (888,555) | -10% | Surplus cash invested |
| Interest earned - outstanding debtors | 49,287 | 40,000 | (9,287) | -23% | Handovers on debtors |
| Licenses & permits | 117,966 | 100,820 | (17,146) | -17% | Additional income received |
| Income for agency service | 28,417,500 | 27,780,000 | (637,500) | -2% | Additional subsidy received |
| Government grants and subsidies | 142,845,471 | 153,755,000 | 10,909,529 | 7% | All grants did not materialised |
| Other income | 2,317,290 | 34,449,320 | 32,132,030 | 93% | Utilisation of surplus funds carried over from previous financial year |
| Sub total revenue | 197,927,955 | 238,534,850 | 43,041,559 | 17% | |
| Less revenue forgone | (7,389,620) | (7,158,000) | 231,620 | -3% | Rebates for property rates |
| Total revenue | 190,538,335 | 231,376,850 | 43,273,179 | 18% | |
| EXPENDITURE | | | | | |
| Employee related costs | 92,583,984 | 94,685,440 | 2,001,456 | 2% | Vacancies not filled |
| Remuneration councillors | 6,528,603 | 6,694,060 | 165,457 | 2% | Sitting allowances not paid |
| Bad debts written-off | 2,744,686 | 3,119,000 | 374,314 | 12% | Bad debt provision adjusted |
| Collection costs | 11,413 | 66,200 | 54,787 | 83% | Review of hand-over process |
| Depreciation and impairment | 11,361,976 | 7,456,000 | (3,900,821) | -52% | Assets with values less than R2000 depreciated |
| Repairs & maintenance | 2,949,181 | 5,445,670 | 2,496,489 | 46% | Leased vehicles with full maintenance plan |
| Interest on external borrowings | 1,425,288 | 1,538,490 | 113,202 | 7% | Less interest paid to DBSA |
| Contracted services | 6,000 | 200,000 | 194,000 | 97% | Expenditure did not occur |
| Grants & subsidies paid | 12,123,472 | 24,134,190 | 12,010,718 | 50% | Projects not completed |
| General expenses- other | 52,417,872 | 86,680,940 | 34,211,591 | 40% | Programmes/professional fees did not occur |
| Total expenditure | 182,152,475 | 229,919,990 | 47,721,193 | | |
| Net Surplus | 8,385,860 | 1,456,860 | (4,448,014) | | |

WEST RAND DISTRICT MUNICIPALITY
Group Annual Financial Statements for the year ended 30 June 2010
APPENDIX E(2)
Actual versus Budget (Acquisition of Property, Plant & Equipment)

| Group | Actual R | Budget R | Variance R | Variance % | Explanation of significant Variances |
|----------------------------|-------------------|-------------------|-------------------|---------------|--------------------------------------|
| Land and buildings | | | | | |
| Land and buildings | 140,426 | 15,093,560 | 14,953,134 | 99% | Expenditure in DMA rollover |
| Infrastructure | | | | | |
| Roads | 5,746,302 | 6,296,500 | 550,198 | 9% | Expenditure in DMA rollover |
| Water mains & purification | 100,245 | 3,876,900 | 3,776,655 | 97% | Expenditure in DMA rollover |
| Security measures | - | 2,072,000 | 2,072,000 | 100% | Expenditure in DMA rollover |
| Heritage Assets | | | | | |
| Paintings & art galleries | 9,557 | 6,000 | (3,557) | -59% | Purchases exceeded budget amount |
| Other Assets | | | | | |
| Computer equipment | 960,224 | 1,458,000 | 497,776 | 34% | Saving on expenditure |
| Emergency equipment | 587,331 | 727,100 | 139,769 | 19% | Saving on expenditure |
| Furniture & fittings | 177,904 | 968,700 | 790,796 | 82% | Saving on expenditure |
| Office equipment | - | 4,000 | 4,000 | 100% | Saving on expenditure |
| Plant & equipment | 2,278,574 | 3,804,600 | 1,526,026 | 40% | Saving on expenditure |
| Leased assets | | | | | |
| | 4,409,844 | 4,397,000 | (12,844) | 100% | Lease contracts |
| Total | 14,410,407 | 38,704,360 | 24,293,953 | | |

| WRDM | Actual R | Budget R | Variance R | Variance % | Explanation of significant Variances |
|----------------------------|-------------------|-------------------|-------------------|---------------|--------------------------------------|
| Land and buildings | | | | | |
| Land and buildings | 140,426 | 13,353,560 | 13,213,134 | 99% | Expenditure in DMA rollover |
| Infrastructure | | | | | |
| Roads | 5,746,302 | 6,296,500 | 550,198 | 9% | Expenditure in DMA rollover |
| Water mains & purification | 100,245 | 3,876,900 | 3,776,655 | 97% | Expenditure in DMA rollover |
| Security measures | - | 2,072,000 | 2,072,000 | 100% | Expenditure in DMA rollover |
| Heritage assets | | | | | |
| Paintings & art galleries | 9,557 | 6,000 | (3,557) | -59% | Purchases exceeded budget amount |
| Other assets | | | | | |
| Computer equipment | 934,529 | 1,426,000 | 491,471 | 34% | Saving on expenditure |
| Emergency equipment | 587,331 | 727,100 | 139,769 | 19% | Saving on expenditure |
| Furniture & fittings | 177,904 | 968,700 | 790,796 | 82% | Saving on expenditure |
| Office equipment | - | 4,000 | 4,000 | 100% | Saving on expenditure |
| Plant & equipment | 234,082 | 719,600 | 485,518 | 67% | Saving on expenditure |
| Lease assets | | | | | |
| | 4,396,909 | 4,397,000 | 91 | 100% | Lease contracts |
| Total | 12,327,285 | 33,847,360 | 21,520,075 | | |

West Rand District Municipality

APPENDIX F DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

| Group Name of Grants | Name of organ of state or municipal entity | Quarterly Receipts | | | | | | Quarterly Expenditure | | | | | | |
|--------------------------------------|--|--------------------|-----------|------------|------------|------------|------|-----------------------|------------|------------|------------|------|-----------|--|
| | | March | June | Sept | Dec | March | June | Sept | Dec | March | June | Sept | Dec | |
| EMS subsidy | Gauteng Health | - | - | 13,890,000 | - | 6,945,000 | - | 7,164,753 | 5,815,197 | 7,185,233 | 6,136,695 | | | |
| RSC replacement grant | National Government | - | - | 54,692,100 | 40,306,546 | 35,646,278 | - | 24,640,731 | 24,640,731 | 24,640,731 | 24,640,731 | | | |
| HIV/AIDS grant | Gauteng Province | - | - | - | - | - | - | 844,238 | 844,238 | 844,238 | 844,238 | | | |
| MIG | National Government | - | - | - | - | - | - | - | - | - | - | - | | |
| Department of Economical Development | Provincial Government | - | - | 6,425,000 | - | - | - | - | - | - | - | - | 1,194,492 | |
| Total | | - | 2,000,000 | 75,007,100 | 40,306,546 | 49,108,278 | - | 32,649,722 | 31,300,166 | 32,670,202 | 32,816,156 | | | |

| WRM Name of Grants | Name of organ of state or municipal entity | Quarterly Receipts | | | | | | Quarterly Expenditure | | | | | | |
|-----------------------|--|--------------------|-----------|------------|------------|------------|------|-----------------------|------------|------------|------------|------|-----|--|
| | | March | June | Sept | Dec | March | June | Sept | Dec | March | June | Sept | Dec | |
| EMS subsidy | Gauteng Health | - | - | 13,890,000 | - | 6,945,000 | - | 7,164,753 | 5,815,197 | 7,185,233 | 6,136,695 | | | |
| RSC replacement grant | National Government | - | - | 54,692,100 | 40,306,546 | 35,646,278 | - | 24,640,731 | 24,640,731 | 24,640,731 | 24,640,731 | | | |
| HIV/AIDS grant | Gauteng Province | - | - | - | - | - | - | 844,238 | 844,238 | 844,238 | 844,238 | | | |
| MIG | National Government | - | - | - | - | - | - | - | - | - | - | - | | |
| Total | | - | 2,000,000 | 68,582,100 | 40,306,546 | 49,108,278 | - | 32,649,722 | 31,300,166 | 32,670,202 | 31,621,664 | | | |

AMBULANCE SERVICE
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

| Actual 2009 R | | Actual 2010 R | Budget 2010 R |
|---------------------|---|---------------------|---------------------|
| | INCOME | | |
| 26,777,250 | Government grants & subsidies | 28,417,500 | 27,780,000 |
| 1,875,323 | Levies | 1,765,498 | 1,640,000 |
| 177,582 | Other income | 10,602 | 1,002,450 |
| 28,830,155 | Total income | 30,193,600 | 30,422,450 |
| | EXPENDITURE | | |
| 17,475,385 | Salaries and wages | 19,935,717 | 21,261,210 |
| 5,201,909 | General expenses | 4,938,960 | 7,501,310 |
| 1,799,669 | Bad debt provision | 1,691,442 | 1,479,000 |
| 65,965 | Repairs and maintenance | 5,176 | 246,760 |
| 58,517 | Depreciation | 15,078 | 10,040 |
| 24,601,445 | Total expenditure | 26,586,373 | 30,498,320 |
| 4,228,710 | Operating (deficit)/surplus for the year | (3,607,227) | (75,870) |

AMBULANCE SERVICE
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

| 2009 Actual R | | 2010 Actual R | 2010 Budget R |
|---------------------|---|---------------------|---------------------|
| | SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES | | |
| 4,228,710 | Administration | (3,607,227) | (75,870) |
| 4,228,710 | Net (deficit)/surplus for the year | (3,607,227) | (75,870) |
| 4,228,710 | Net (deficit)/surplus for the year before appropriations | (3,607,227) | (75,870) |
| 471,370 | Unappropriated surplus at the beginnnng of the year | 4,700,080 | - |
| | Transfer to provisions | | |
| 4,700,080 | Unappropriated surplus at the end of the year | 1,092,853 | (75,870) |

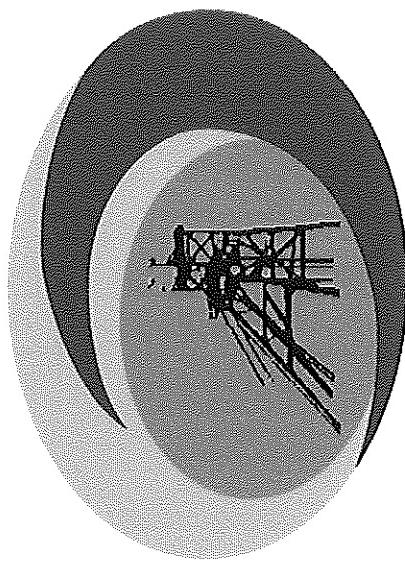
CONSOLIDATED METROPOLITAN TRANSPORT FUND
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

| 2009 Actual R | | 2010 Actual R | 2010 Budget R |
|---------------------|---------------------------------------|---------------------|---------------------|
| | INCOME | | |
| 107,781 | Government grants & subsidies | 53,360 | - |
| <u>107,781</u> | Total income | <u>53,360</u> | <u>-</u> |
| | EXPENDITURE | | |
| 705,181 | Projects | 7,200 | 7,200 |
| <u>705,181</u> | Total expenditure | <u>7,200</u> | <u>7,200</u> |
| <u>(597,400)</u> | Operating surplus for the year | <u>46,160</u> | <u>(7,200)</u> |

CONSOLIDATED METROPOLITAN TRANSPORT FUND
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

| 2009 Actual R | | 2010 Actual R | 2010 Budget R |
|---------------------|--|---------------------|---------------------|
| | SURPLUS FROM ORDINARY ACTIVITIES | | |
| (597,400) | Administration | 46,160 | - |
| <u>(597,400)</u> | Net surplus for the year | <u>46,160</u> | <u>-</u> |
| | Extraordinary items | | |
| (597,400) | Net surplus before appropriations | 46,160 | - |
| 1,355,207 | Unappropriated surplus at the beginning of the year | 757,807 | - |
| <u>757,807</u> | Unappropriated surplus at the end of the year | <u>803,967</u> | <u>-</u> |

West Rand District Municipality



**Annual Performance
Plan 2010/011 Report**

Annual Performance 2010/2011

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**OFFICE OF THE
EXECUTIVE MAYOR**

Directorate SDBIP : Executive Mayor's Office
 KPA: Good Governance and Public Participation
 Operating Budget: R9,726,240
 Capital Budget: 0

| Project/Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Actual/Fact | | Annual Expiration of variance | | Performance Improvement Plan | |
|--|--|------------|----------|---------------|--------------------|--------|-------------------------------|--------|---|--|
| | | | | | Q1 Act | Q2 Act | Q3 Act | Q4 Act | Q1 Act | Q2 Act |
| No. of 2010 FIFA Soccer World Cup Public Viewing Sites | Appointment letter of service provider and close up report | 1 | 1 | 1 | - | - | - | - | 1 | 1 |
| No. of Moral Regeneration Mass Rallies | Expenditure report and copy of speech of Executive Mayor | 1 | 1 | 1 | - | - | 0 | 1 | - | - |
| No. of Mampuji Ba Tselo Race | Expenditure report and record of participants | 1 | 1 | 1 | - | 1 | - | - | - | - |
| No. of Senior Citizens Programmes(Fun Day) | Expenditure report and copy of attendance register | new target | 1 | 1 | - | 1 | - | - | - | - |
| No. of Mayor's Golf Days | Register of participants and close up report | new target | 1 | 0 | 0 | - | - | 0 | 0 | 0 |
| No. of Puisano Jazz Festivals | Expenditure report Approval for the proposed event & attendance register | 1 | 1 | 1 | - | - | 1 | - | - | - |
| No. of People Living with Disabilities Fun Day | Record of participants and expenditure report | 1 | 1 | 1 | - | - | - | 1 | - | - |
| No. of Mayoral Imbizos | Attendance register, Expenditure report & approval for the proposed event. | 1 | 1 | 1 | - | - | 1 | - | - | - |
| No. of Development of Museum, Statue & other initiatives for the Late Ace Patrick Nsoulengoe | Resolutions of committee and proof of execution | new target | 2 | 1 | - | - | 0 | 0 | 0 | 0 |
| No. of West Rand Heritage Jazz Festivals | Appointment letter of service provider and close up report | new target | 1 | 0 | 0 | - | - | - | Improvement in operations for service delivery will be attempted. | Improvement in management will be attempted. |

| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | | Q1 | | Q2 | | Q3 | | Q4 | | Annual Explanation of variance | | Performance Improvement Plan | |
|---|---|------------|----------|---------------|--------|-----|-----|-----|-----|-----|-----|-----|-----|--|----------------------------|------------------------------|-----|
| | | | | Act | Ending | Act | Act | Act | Act |
| No. of Career Expos | Attendance register and expenditure report | 1 | 1 | 1 | 1 | 0 | 1 | - | - | - | - | - | - | - | - | - | - |
| No. of Youth Summits | Attendance register and expenditure report | 1 | 1 | 1 | 1 | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of Youth visits to Bosasa Youth Centre | Attendance register and expenditure report | 1 | 6 | 6 | 6 | 1 | 2 | 2 | 1 | - | - | - | - | - | - | - | - |
| No. of WR Youth Arts & Culture Festivals | Expenditure report and register of participants | new target | 1 | 1 | 0 | 1 | - | - | - | - | - | - | - | - | - | - | - |
| No. of DMA Soccer Tournaments | Expenditure report, attendance report & approval for the proposed event | 1 | 1 | 1 | 1 | - | 1 | - | - | - | - | - | - | - | - | - | - |
| No. of Substance Awareness Workshops | Attendance register, expenditure report, programme | 1 | 1 | 1 | 0 | 1 | - | - | - | - | - | - | - | - | - | - | - |
| No. of West Rand Stars of the Night Functions | Attendance register, expenditure report, programme and minutes | 1 | 1 | 0 | 0 | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of Young Men's Dialogue Meetings | Attendance register, expenditure report, programme and minutes | 1 | 1 | 0 | 0 | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of Youth Games | Attendance register and expenditure report | 1 | 1 | 2 | 0 | 1 | - | 1 | - | 1 | - | 1 | - | Positive response to Q2 event and available budget N/A | Cancelled rising 2nd event | N/A | 2 |

| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Explanations of variance | | | | Performance Improvement Plan | |
|--|--|------------|----------|---------------|---------------------------------|-----------|-----------|-----------|---|--|
| | | | | | Q1 Ending | Q2 Ending | Q3 Ending | Q4 Ending | 30 Act | Act |
| No. of Executive Mayor's Trust Fund Functions | Expenditure report, programme and attendance register | 1 | 1 | 0 | - | 0 | 0 | 0 | SCM in process of advertising the event. Budget failed over. | Improvement in Management will be attempted. |
| No. of Youth Democracy Development Workshops | Expenditure report, programme and attendance register | 1 | 1 | 1 | - | - | - | 1 | | |
| No. of Talent Identification Shows | Expenditure report, programme and attendance register | new target | 1 | 0 | - | 0 | - | | | |
| No. of Bursaries Award Functions | Expenditure report, programme and attendance register | new target | 1 | 0 | - | 0 | - | | Delay in appointment of service provider. Budget failed over to 2010/11. | Improvement in Management will be attempted. |
| No. of Youth Capacity Building Functions | Expenditure report, programme and attendance register | 1 | 1 | 0 | - | - | - | 0 | Canceled due to change of administration. | Improvement in Management will be attempted. |
| No. of West Rand Youth Awards Functions | Expenditure report, programme and attendance register | 1 | 1 | 0 | - | - | - | 0 | Canceled due to change of administration. | Improvement in Management will be attempted. |
| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | Q1 Ending | Q2 Ending | Q3 Ending | Q4 Ending | 30 Act | Act |
| No. of Magazine Publications | Expenditure report & Copy of article | 1 | 4 | 4 | 0 | 2 | 1 | 1 | | |
| No. of Branding exercises | copy of delivery note and appointment of service provider. | 1 | 4 | 2 | 0 | 1 | 0 | 1 | Cancelled because service provider couldn't deliver. | Improvement in Management will be attempted. |
| No. of Electronic & print Media Public exercises | Expenditure report & Copy of article | 1 | 4 | 0 | 2 | 1 | 1 | | | |
| No. of WRDM Newsletters | Copy of newsletter & Expenditure report | 1 | 4 | 2 | 1 | 0 | 1 | 0 | Decision to change service provider delayed process. | Improvement in Management will be attempted. |
| No. Mayoral Visits to Schools | Copy of speech of Executive Mayor | 1 | 1 | 0 | - | 0 | 0 | 0 | R0 000 allocated to youth programmes. Executive Mayor's Management will be attempted. | Improvement in Management will be attempted. |

SPEAKERS OFFICE

Directorate SDBIP : Office of the Speaker
 KPA: Good Governance and Public Participation
 Operating Budget R4, 012 680.00
 Capital Budget R32,500.00

| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Act Perf | Q1 Act | Q2 Act | Q3 Act | Q4 Act | Annual Explanation of Variance | Performance Improvement Plan |
|---|--|---|----------|---------------|-----------------|--------|--------|--------|--------|---|--|
| IDP and Budget public participation | No of Workshops and public meetings | Attendance register and expenditure report. | 1 | 1 | 0 | | | | | Planning was not done in time | Planning will be done a month in advance. |
| Public participation workshop and skills training (R20 000.00) | No of Life Skills workshops | Attendance register and expenditure report. | 1 | 2 | 0 | | | | | The activity was planned for DMA | Workshop scheduled for November 2010 |
| Gender Programme (R50 000.00) | No. of gender programmes | Attendance register and expenditure report | 1 | 3 | 3 | 1 | 2 | | | | |
| Speaker's Forum (R10 000.00) | No. of Forum co ordinating the work of speakers within the jurisdiction of the WRDM | Attendance register, minutes, and expenditure report. | 10 | 4 | 3 | 1 | 1 | | | Improvement in Planning and Management will be attempted. | Postponed to the 1st July 2010. |
| Regional Managers Speaker's Forum (R10 000.00) | No. of forum co ordinated in the offices of the speakers within the WRDM area of jurisdiction. | Attendance register and minutes. | | | | | | | | Regional speaker's forums were cancelled, therefore, the forum could not take place. | The meeting will be held on 10 November 2010 |
| Petition Committee workshop & Training (R15 000.00) | No. of workshop & training conducted | Attendance register and expenditure report. | | new target | 4 | 1 | 1 | | | Finalisation of the petition process is still awaited from the province petition department | Planning will be done a month in advance. |
| Regional Councillors Forum (R30 000.00) | No. of Councillors forum | Attendance register, minutes and expenditure report. | | new target | 1 | 0 | | | | | |
| Batho Pele Programmes (R205 000.00) | No. of Batho pele Programmes | Attendance register and expenditure report. | | new target | 3 | 3 | 2 | 1 | | | |
| DMA & Rural workshop | No. of Workshops conducted | Attendance register, agenda and expenditure report. | | new target | 2 | 0 | | | | Due to service delivery protests, the workshop could not be held | Workshop will be held in the 3rd quarter |
| Training & Capacity building for ward Committee & CDW's (R160 000.00) | No. of training programmes conducted | Attendance register, minutes and expenditure report. | | new target | 2 | 2 | 1 | 1 | | | |

IDP AND PMS UNIT

Directorate SDBIP : IDP & PMS
KPA: Good Governance and Public Participation
Operating Budget R 320 000
Capital Budget

| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual | | Annual Explanation of Variance | | Performance Improvement Plan |
|---|--|--|----------|---------------|--------|---------|--------------------------------|---------|------------------------------|
| | | | | | Q1 Act | Q1 Perf | Q2 Act | Q2 Perf | |
| No. of 2010/11 district wide IDP Review Framework completed | A copy of the IDP Review Framework Document | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| No. of draft 2010/11 IDP Review document approved by council | A copy of the draft 2010/2011 IDP Document and Council Resolution. | 1 | 1 | | | | | 1 | |
| No. of 2010/11 IDP review documents submitted to the Department of Local Government | A copy of the 2010/2011 Draft IDP Document, a copy of the letter of submission and Acknowledgement of receipt. | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| IDP Review | No. of 2010/11 draft IDPs advertised for 21 Days for Public Comments | Newspaper adverts. | 1 | 1 | 1 | 1 | 1 | 1 | |
| | No. of 2010/11 final IDP adopted by council | A copy of the final 2010/2011 IDP Document and Council Resolution | 1 | 1 | 1 | 1 | 1 | 1 | |
| | No. of 2010/11 final IDP submitted to the Department of Local Government | A copy of the 2010/2011 Final IDP Document, a copy of the letter of submission and Acknowledgement of receipt. | 1 | 1 | 1 | 1 | 1 | 1 | |
| | No. of IDP Technical input sessions | Signed notice of the meeting, Attendance Register and minutes of the meeting | 6 | 4 | 4 | 1 | 1 | 1 | |
| IDP Alignment | No. of IDP District-wide alignment workshops | Signed notice of the meeting, Attendance Register and minutes of the meeting | 3 | 6 | 6 | 1 | 1 | 2 | |
| | No. of Public Participation workshops | Signed notice of the meeting, Newspaper Adverts and Attendance Registers | 4 | 4 | 4 | 1 | 1 | 1 | |

| Project/ Sub activities | Unit of Measure | Portfolio of Evidence | Baseline | Annual Target | Annual Explanation of Variance | | | | Performance Improvement Plan |
|-------------------------|---|---|----------|---------------|--------------------------------|--------|--------|--------|---|
| | | | | | Q1 Act | Q2 Act | Q3 Act | Q4 Act | |
| SDBIP | No. of 2009/10 quarterly review workshops | Signed notice of the Meeting, Attendance Register and Minutes of the meeting. | 4 | 4 | 4 | 1 | 1 | 1 | |
| | No. of 2010/11 SDBIP Report signed by the Executive Mayor | A copy of the 2010/2011 SDBIP, a copy of the letter of Approval signed by the Mayor. | 1 | 1 | 1 | | | 1 | |
| | No. of 2010/11 SDBIP Report submitted to the Department of Local Government | Letter of submission signed by the MM,SDBIP Report and Acknowledgement of Receipt. | 1 | 1 | 1 | | | 1 | |
| | No. of 2009/10 S57 employee's performance agreements signed | 3 copies of Performance Agreements for (MM, CFO & COO) signed | 3 | 3 | 3 | | | | |
| Performance Management | No. of Performance Evaluation report for the Section 57 Employees to the Evaluation Committee | Evaluation Report | 12 | 12 | 0 | | | | The Performance Evaluation was put on hold pending the PWS workshop or training for the Performance Evaluation Committee members. |
| Annual Report | No. of 2008/09 1st Draft Annual Report Submitted to Management | First Draft Annual Report, Signed notice of the meeting and Agenda | 1 | 1 | 1 | | | | |
| | No. of 2008/09 2nd Draft of the Annual Report submitted to Management | First Draft Annual Report, Signed notice of the meeting, Agenda and minutes of the meeting. | 1 | 1 | 1 | | | 1 | |
| | No. of 2008/09 final Annual Report completed | Final Annual Report | 1 | 1 | 1 | | | 1 | |

INTERNAL AUDIT

| KPA: Good Governance & Public Participation | | | | | | | |
|---|------------------------------|---|-------------|-----------------|-----------------------|----------|---------------|
| Operating Budget: | R 3 042 528.00 | Capital Budget: | R 29 000.00 | Unit of Measure | Portfolio of Evidence | Baseline | Annual Target |
| Project/ Sub activities | | | | | Annual Act | Q1 Perf | Q2 Act |
| Human Resources | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Occupational Health & Safety | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Municipal Security Services | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Disaster Management | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Patient Response Time | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Contract Management | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Expenditure Management | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| MFMA Compliance | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Stand by & Overtime | Monthly claims | Monthly claims: Jan, FEB MAR | | 1 | 1 | 1 | 1 |
| Performance Evaluations-SDBIP | No of Internal Audit Reports | IA report | | 12 | 12 | 12 | 3 |
| Performance Evaluations-Sec 57 | No of Internal Audit Reports | IA reports: MM, COO, CFO | | 4 | 4 | 1 | 1 |
| Annual Financial Statements | No of Internal Audit Reports | IA report | | 12 | 10 | 2 | 4 |
| Risk Management Review | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Leave Audit-Follow Up | No of Internal Audit Reports | IA report | | 1 | 1 | 1 | 1 |
| Audit Committee meetings | No of Minutes | 1. Signed agenda, 2. Attendance register, 3. Minutes | | 4 | 4 | 1 | 1 |

SUPPLY CHAIN MANAGEMENT

| Directorate SDBIP : Supply Chain Management Unit | | KPA: Municipal Financial Viability and Management | | | | | | | | | | | | | | | | | | | |
|--|---|---|------|------|-----|----------|-----|---------------|-----|-----------------|-----|--------|-----|---------------------|-----|--------|---|--|---|------------------------------|--|
| Operating Budget | | Capital Budget | | | | | | | | | | | | | | | | | | | |
| Project/ Sub activities | | Unit of Measure | | POE | | Baseline | | Annual Target | | Annual Act Perf | | Q1 Act | | Q2 Ending Q3 Ending | | Q4 Act | | Annual Explanation of Variance | | Performance Improvement Plan | |
| Tenders Awarded | % of BEE companies awarded tenders | (a) Report on BEE companies awarded contracts - Indicating a proportion of tenders awarded to BEE (b) Letters of Appointment (c) Adjudication reports | 60% | 70% | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 95% | 95% | More tenders awarded to HDIs/BEEs than originally anticipated. | N/A | | | |
| Request for Quotations (RFQ) awarded | % of BEE companies awarded RFQs | (a) Report on BEE companies awarded RFQs - Indicating a proportion of RFQs awarded to BEE companies | 50% | 50% | 51% | 51% | 51% | 51% | 51% | 51% | 51% | 51% | 51% | 51% | 51% | 51% | More RFQ contracts awarded to HDIs/BEEs than originally anticipated | N/A | | | |
| Stores Administration | No. of stock-takings conducted in the WRDM stores | (a) Stock Taking Report | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | | |
| Asset Management | No. of audits conducted on WRDM assets | (a) Audit Report reflecting the status of verified / audited assets | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | | |
| Asset Disposal | % of auctions held for asset disposals | (a) Council Resolution for disposal of assets (b) Advert for Auction (c) Report on assets auctioned | 100% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | List of assets submitted to council structures for approval. Still awaiting a Council resolution to dispose of redundant assets. | Awaiting council resolution which will be finalised in November 2010. | | |

INFORMATION AND COMMUNICATION TECHNOLOGY

**Directorate SDBP: Information and Technology Communication
KPA: Municipal Transformation and Organisational Development
Operating Budget:
Capital Budget**

| Ref/Sub Activity or Measure | POE | Baseline | Annual Target | Annual Actual Perf | Q1 Act | | | Q2 Act | | | Q3 Act | | | Q4 Act | | | Annual Explanation of Variance | Performance Improvement Plan |
|--|---|-------------|---------------|--------------------|--------|-----|-----|--------|-----|-----|--------|-----|-----|--------|-----|-----|--|------------------------------|
| | | | | | Act | Act | Act | | |
| Provide Updated and Aligned MSP | No. of updated and aligned MSP | 1. Copy MSP | 1 | 1 | 0 | | | | | | | | | | | | The MSP for the District could not be completed prior to the Strategic plans and sessions by all the Municipalities within the district. The Uni City design and implementation is driven by the Transformation management process established by the Transformation Committee. The Committee has been created specifically to manage the process towards establishing a Uni-City. Creating a combined MSP now would be premature. | |
| Incorporate Meratong City data systems | % Integration of Meratong City into WRDM systems | | | | | | | | | | | | | | | | The Public Safety System is integrated and functional. Capturing of the data for Accident and Ambulance reports are happening remotely. The financial System is not accessible from the WRDA yet; this is because of the required extension of the Wireless network into Meratong LM. | |
| ICT Support Local to Municipalities | % ICT support provided to local municipalities | | | | | | | | | | | | | | | | 100% | |
| Legal Compliance | % legal compliance documents prepared and submitted | | | | | | | | | | | | | | | | | |

| | | | | | | | | |
|---|---|--|------------------|-------------|--------|--------|--------|---|
| Produce and maintain ERP | % of recovery procedures tested | 1. Signed report on recovery procedures (twice per annum). 2. Monthly internal reports | 100% 100% | 75% | 100% | 100% | 100% | Routine work 'happening on a daily basis and managed by the Directorate ICT. The system automatically logs all deviations and the acts are inspected and acted upon; Letters From Messrs Edgetech included. Monthly reports included. |
| Maintain district wireless network | No. of connections | 1. expenditure report for monthly lease. 2. Monthly network status reports | 51 51 | 0 0 | | | | Magalliesburg and Helpfonte libraries were implemented, as well as the Magalliesburg Water tower. See website: https://www.flickr.com/photos/nwrdmnetworksets |
| Extend network to Provincial Government | No. of portals and systems made available to government spheres | 1. Monthly expenditure reports to the relevant departments | 2 2 | 4 4 | 2 2 | 1 1 | 1 1 | Three departments are making use of the current network: The department of Arts, Crafts and Culture - Disaster Management and Health. The department of Lower Education (West Rand) showed interest in such a network. One pilot site were setup where the network provides a school with free internet access. |
| Implement Uniform messaging system | No. of electronic attendant and voice mail services implemented | 1. Expenditure report for purchases. | New target 30 | 0 0 | | | | System acquired license issues experienced with Holland. Software license issues resolved and training scheduled |
| Maintain email platform | % of email maintenance | Report on email maintenance | 100% 100% | 75% | 100% | 100% | 100% | Routine work 'happening on requests from the personnel. The requests are documented, assigned and actions performed. Jobs are signed off by the technician and Help desk. |
| Implement and maintain website | % of website maintenance | Received requests and jobcard completion reports | 100% 100% | 100% 25% | | | | Routine work 'happening on requests from the Directorate. The requests are documented, assigned and actions performed. Jobs are signed off by the technician and Help desk. |

| Act/Sub Activity/Unit of Measure | POE | Baseline | Annual Target | Q1 | | Q2 | | Q3 | | Q4 | |
|--|--|--|----------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| | | | | Act |
| Ensure secure ICT environment | No. of security reports on systems | Security reports on systems | 5 | 25 | 10 | 5 | | | | | |
| Establish reduced telecommunication costs [local and regional] | No. of RCC installed | Reduced telephone bill, nr of telephone calls diverted to RCC | budgeted expenditure | 5 | 1 | | | | | | |
| Integrate GIS into regional systems | No. of reports on Integrated systems | Completed integration project report | New target | 4 | 0 | | | | | | |
| Implement an integrated document management system | No. of electronic document management system | Completion according Project plan. | New target | 1 | 0 | | | | | | |
| Implement Automated Primary Health Care System | No. of clinics with automated systems | 1. Expenditure report for purchase. 2. Monthly statistical reports. | 3 | 1 | 1 | | | | | | |
| Develop a WRDN DP and PMS automated system | No. of automated systems | Completed detail setup per department | New target | 1 | 0 | | | | | | |

FINANCE

| Project Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Act | | Q1 Perf | | Q2 Ending | | Q3 Ending | | Q4 Ending | | Annual Explanation of Vtence | | Performance Improvement Plan | |
|--|--|-----|----------|---------------|------------|-----|---------|-----|-----------|-----|-----------|-----|-----------|-----|------------------------------|-----|------------------------------|---|
| | | | | | Act | Act | Act | Act | Act | Act | Act | Act | Act | Act | Act | Act | Act | Act |
| No. of draft annual budget submitted to Council | 1. Council Resolution | 1 | 1 | 2 | | | | | 1 | 1 | | | | | | | | |
| No. of final annual budget submitted to Council | 1. Municipal Budget. 2. Council Resolution | 1 | 1 | 1 | | | | | | | 1 | | | | | | | |
| No. of adverts made for public meetings | Copy advert in the newspaper | 1 | 1 | 0 | | | | | | | | | | | | | | |
| No. of public meetings on the Budget | 1. Notice of meeting. 2. Attendance register | 3 | 2 | 1 | | | | | | | | | | | | | | Meetings are less as they are informed by IDP Rep Forums. |
| No. of financial mid-term report compiled and submitted to Executive Mayor by 26 January | 1. Copy MTEF. 2. Proof of submission to Exec Mayor. | 1 | 1 | 1 | | | | | | | | | | | | | | |
| No. of adjustment budget compiled and submitted to Council by 28 February | 1 Adjustment Budget. 2. Council Resolution. | 1 | 1 | 2 | | | | | | | 1 | 1 | | | | | | |
| No. of monthly financial reports submitted to Council and Stakeholders | 1. Monthly Financial reports. 2. Council resolutions. 3. Proof of submissions to stakeholders and acknowledgements | 12 | 12 | 11 | | | | | 3 | 3 | 3 | 3 | 2 | | | | | June report to be tabled in July and submitted to stakeholders around 10th. |

| Directorate SDBIP : Budget and Treasury Office | | | | | | |
|--|---|-----|----------|---------------|-------------|--------|
| KPA: Municipal Financial Viability and Management | | | | | | |
| Operating Budget | R 2 789 480 | | | | | |
| Capital Budget | | | | | | |
| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | Q1 Act Perf | Q2 Act |
| No. of salaries payments and allowances done by the 25th of each month | monthly payroll printouts; Oct, Nov, Dec | 12 | 12 | 12 | 3 | 3 |
| No.of bank reconciliation done by the 10th of each month | Copy Bank recos signed on or before the 10th. | 12 | 12 | 12 | 3 | 3 |
| No. of payment of creditors done within 30 days | Monthly financial reports: Jan, Feb, Mar | 12 | 12 | 12 | 3 | 3 |
| No. of annual financial statements compiled | AFS 2008/09 | 1 | 1 | 1 | 1 | |

| Directorate SDBP : Budget and Treasury Office | | | | | | | | | | |
|---|---|----------------------------|----------|---------------|-----------------|-----------|-----------|-----------|--|--|
| KPA: Municipal Financial Viability and Management | | | | | | | | | | |
| Operating Budget | | R 1 077 360 | | | | | | | | |
| Capital Budget | | | | | | | | | | |
| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual target | Annual Act Perf | Q1 Act | Q2 Act | Q3 Act | Q4 Ending Variance | |
| Revenue Management | % reduction of debt older than 120 days | Quarterly financial report | 20% | 20% | 55% | 9,1% | 16% | 55% | An amount of R2,2 mil was written-off. | |
| | Amount of rand value collected/very of budgeted revenue | Quarterly financial report | R209,5m | R217m | R209 | R76m | R57,3m | R20,4m | More accurate information must be obtained by EMS personnel. | |
| | | | | | | | | | Follow-up with Province is done on a regular basis | |
| | | | | | | | | | Payment for April - June 2010 (quarter 4) received in quarter 1/2010/11 from Province (R 7 382 500-00) | |

CORPORATE SERVICES

| Sub Activities | Unit of Measure | Portfolio of Evidence (POE) | Baseline | Annual Target | Annual Act Perf | Q1 | Q2 | Q3 | Q4 | Performance Improvement Plan | |
|--|--|---|----------|---------------|-----------------|------|------|------|------|---|-----------------------------------|
| | | | | | | | | | | Act | Act |
| Submission of Section 80 Committee agendas. | % of Section 80 Committee agendas submitted not later than 3 working days before the meeting, to Supply Chain Management for delivery. | Proof of submission by them. | 100% | 100% | 94% | 100% | 100% | 100% | 100% | The 94% indicated in the first quarter can be blamed on the fact that no control register was in place at that stage otherwise it would also have measured 100% | Control register already in place |
| Submission of agendas of ordinary WRDM meetings. | % of agendas of ordinary WRDM meetings submitted not later than 3 working days before the meeting, to Supply Chain Management, for delivery. | Proof of submission by them. | 100% | 100% | 77% | 7% | 100% | 100% | 100% | The 7% indicated in the first quarter can be blamed on the fact that no control register was in place at that stage otherwise it would also have measured 100% | Control register already in place |
| Report to the Municipal Manager and Portfolio Councillors, on the execution of 100% of the WRDM resolutions. | % of reports submitted to the Municipal Manager and Portfolio Councillors, within 14 working days after an ordinary WRDM meeting on the execution of 100% of the WRDM resolutions. | Copy of reports and proof of receipt by MM and Councillors. | 100% | 100% | 100% | 100% | 100% | 100% | 100% | | |
| Submission of the minutes of WRDM meetings, to CTI | % of the minutes of WRDM meetings submitted within 14 working days after the meeting to CTI for display on the intranet. | Proof of submission to CTI and proof of receipt by CTI. | 100% | 100% | 100% | 100% | 100% | 100% | 100% | | |
| Report to Executive Mayor, on all WRDM resolutions for which no proof of execution were received. | % of reports submitted to Executive Mayor, on all WRDM resolutions for which no proof of execution were received. | Copy of report and proof of receipt | 100% | 1 report | 1 | 1 | 1 | 1 | 1 | | |
| Report to Municipal Manager on outstanding declarations of interest. | % of reports submitted to Municipal Manager on outstanding declarations of interest. | (3rd Quarter) | 100% | 1 report | 1 | 1 | 1 | 1 | 1 | | |
| Report to the WRDM, on the attendance of WRDM councillors of meetings of the WRDM, Mayoral Committee and other committees council. | % of reports submitted to the WRDM on the attendance of WRDM councillors of meetings of the WRDM, Mayoral Committee and other committees council. | Copy of item on WRDM agenda. | 100% | 1 report | 1 | 1 | 1 | 1 | 1 | | |

SDBIP Corporate Services:
KPA: Good Governance
Council Propenities

| Sub Activities | Unit of Measure | Portfolio of Evidence (POE) | Baseline | Annual Target | Annual Act Perf | Explanation of Variance | | | | Performance Improvement Plan |
|--|---|--|------------|---------------|-----------------|-------------------------|-----|-----|-----|--|
| | | | | | | 1st | 2nd | 3rd | 4th | |
| Report to Municipal Manager on maintenance work at Council Centre | No. of reports submitted within 14 days after end of Quarter. | Maintenance report. Proof of submission to MM | New target | 4 reports | 4 | 1 | 1 | 1 | 1 | |
| Control over rental contracts of shops in Council Centres. | % of contracts renewed before expiry date | Names of contracts with expiry dates. New contract agreements. | 100% | 100% | 75% | 0% | 0% | 0% | 0% | Target incorrectly projected on a quarterly basis as most of the agreements are entered into for 1-3 year periods and no agreements expired during the first three quarters of this financial year |
| Report to Municipal Manager on maintenance work at Stand 440 Greenhills. | No. of reports submitted within 14 days after end of Quarter. | Maintenance report on stand 440 Greenhills. Proof of submission to MM. | New target | 4 reports | 4 | 1 | 1 | 1 | 1 | |

Department SD&IP : Corporate Services : Legal and Administration Services
 KPI: Good Governance & Public Participation
 Programme: Legal Services and Administration Services

| Sub Activities | Unit of Measure | Portfolio of Evidence (POE) | Baseline | Annual Target | Annual Act Perf | | Q1 Act | | Q2 Act | | Q3 Act | | Q4 Act | | Annual Explanation of Variance | Performance Improvement Plan | |
|---|---|--|----------|---------------|-----------------|------|--------|------|--------|------|--------|------|--------|------|---|---|------------------------------|
| | | | | | Act | Act | Act | Act | Act | Act | Act | Act | Act | Act | | | |
| Approval of By Laws. | % of By Laws approved by the WRDM per financial year. | Copy of By Laws and Council resolution | 100% | 100% | 25% | 0% | 100% | 0% | 100% | 0% | 100% | 0% | 100% | 0% | Target incorrectly projected as By-Laws are only drafted on request | Measurement tool be modified to indicate that By-Laws are only drafted on request | |
| Perusal and distribution of legislation. | % of Government and Provincial Gazettes perused and distributed within 14 days after receipt. | Proof of receipt by the legal section and proof of distribution to Cllr/Officials indicating the date of distribution and receipt. | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | The 0% indicated up the 1st quarter can be blamed on the fact that no control register was in place at that stage otherwise it would have also measured 100% | Control register already in place | |
| Sets of replacement pages for Statutes. | % of sets of replacement pages for Statutes replaced within 30 days of receipt. | Proof of replacements. | 100% | 100% | 75% | 0% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | Target Incorrectly projected as instruction to valuers are only drafted on request | Measurement tool be modified to indicate that instruction to valuers are only drafted on request | |
| Supply legal Inputs on items for WRDM agendas. | % of legal Inputs supplied on items for WRDM agendas. | Proof of legal inputs to WRDM agendas | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | Target Incorrectly projected on a quarterly basis as most of the agreements are entered into for 1-3 year periods and no agreements expire during the first three quarters of this financial year | Measurement tool be modified |
| Issuing instructions to valuers. | % of Instructions issued to valuers within 14 days of receipt of request. | Copy of instruction, proof of date, receipt thereof and copy of instructions to valuers with proof of their receipt. | 100% | 100% | 75% | 100% | 0% | 0% | 100% | 100% | 100% | 100% | 100% | 100% | Target Incorrectly projected as instruction to valuers are only drafted on request | Measurement tool be modified to indicate that instruction to valuers are only drafted on request | |
| Compiling or perusal of agreements. | % of agreements compiled or perused within 21 days of receipt. | Proof of date of receipt of the agreement/instruction, copy of agreement or proof of perusal and proof of receipt and proof of date of receipt by person who gave the instruction. | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | Target Incorrectly projected on a quarterly basis as most of the agreements are entered into for 1-3 year periods and no agreements expire during the first three quarters of this financial year | Measurement tool be modified | |
| Lease Agreements of tenants in the WGC renewed or entered into before their expiry dates. | % of Lease Agreements of tenants in the WGCC renewed or entered into before their expiry dates. | Names of leases with expiry dates, Renewal agreements. | 100% | 100% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | Names of leases with expiry dates, Renewal agreements. | Measurement tool be modified | |

Department SDBIP : Human Resource Management & Development
 KPA : Municipal Transformation and Organisational Development
 Operating Budget : R7 409 620
 Capital Budget

| Project/ Sub activities | Unit of Measure | Portfolio of Evidence (POE) | Baseline | Annual Target | Annual Act | | Q1 Proj | Q2 Proj | Q3 Proj | Q4 Proj | Annual Excellence | Annual Variance | Performance Improvement Plan |
|--|--|--|-------------------------------------|---|------------|-----|---------|---------|---------|---------------------------------|--|-----------------|------------------------------|
| | | | | | Perf | Act | | | | | | | |
| Employment Equity | Number of reports submitted to the Department Manager (2nd Quarter) | EE report. Proof of submission, Acknowledgement of receipt. | 1 Report | 1 | 1 | 1 | | | 1 | | | | |
| Recruitment, Retention and Succession Planning | Number of staff appointed in vacant positions with the required minimum qualifications | List of staff appointed showing minimum requirements and individual qualifications. Proof of submission to MM. | 1 Approved policy | 4 Reports to MM on appointment of qualified staff | 4 | 1 | 1 | 1 | 1 | 1 | | | |
| Workplace Skills Plan | Number of reports submitted to the Local Government SETA [4th Quarter] | WSP. Proof of submission. Acknowledgement of receipt. | 1 Report | 1 Report | 1 | 1 | | | 1 | | | | |
| Skills and ABET Programme | Number of training courses presented to officials | 2 List of officials showing courses attended. 3 Attendance registers for each course | 12 courses | 12 courses | 13 | 5 | 3 | 3 | 2 | | 1 more course could be presented within the approved budget | | |
| Employment Assistance Program | Number of employee wellness and assistance programmes presented (2nd and 4th quarter) | EAP presentation programme. Attendance registers. | 1 Approved policy | 2 wellness programmes presented to employees | 2 | 1 | 1 | | | | | | |
| Occupational Health & Safety | Number of reports presented to the Municipal Manager on injuries on duty | Report on injuries. Proof of submission to MM. | Occupational Health & Safety Act | 4 Reports to MM on injuries on duty at WRCM | 4 | 1 | 1 | 1 | 1 | | | | |
| Organizational Performance Management System | % of minutes of PMS meetings submitted within 14 working days after the PMS meeting to Manager (DP & PMS (meeting not called by HR) | Minutes and attendance register. | 100% | 100% | 25% | 0% | 0% | 100% | 0% | "No PMS panel meeting convened" | Annual target should be corrected to read "per meeting held" | | |
| Organizational Structure | Number of policies related to staff establishment submitted to the Municipal Manager [1st Quarter] | SE policy. Proof of submission to MM. | 1 Approved organisational structure | 1 Staff establishment policy submitted to MM | 1 | 1 | | | | | | | |

LOCAL ECONOMIC DEVELOPMENT

Directorate SDBBP : Local Economic Development and Tourism
 KPA : Local Economic Development
 Operating Budget R 11,432,120
 Capital Budget Rs.391,500

| Project/Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Act Perf | Q1 Act | Q2 Act | Q3 Act | Q4 Act | Annual Explantion of Variance | Performance Improvement Plan |
|---|--|---|------------|---------------|-----------------|--------|--------|--------|-----------------|--|---|
| Section 80 Economic Development & Integrated Planning Management meetings | No of SEC 80 agenda items submitted to the COO's Office not later than 5 working days before the Corporate Committee due date. | 1. items. 2. Proof of submission to COO with dates for timelapse | New target | 10 | 3 | 3 | | | | No tracking system was put in place to record the meetings | Early submission of items to the COO |
| | No of agricultural forum | | new target | 1 | 1 | 1 | | | | | |
| | No. of manufacturing forum | | new target | 1 | 1 | 1 | | | | | |
| | No of mining Forum | Proof of establishment. | new target | 1 | 1 | 1 | | | | | |
| ESTABLISHMENT OF SECTOR FORUMS | No of sector forums meetings | 1.No of people invited 2.Minutes 3. Attendance register.4. Invitation | new target | 18 | 10 | 3 | 4 | 3 | Poor attendance | Mobilization of companies that add value to the sector | |
| BUSINESS NETWORKING | No of business advisory forum | | new target | 1 | 0 | | | | poor attendance | Hand picking from big business & learning institutions | |
| ESTABLISHMENT OF SMME DATABASE | No of regional database | Attendance registered | new target | 1 | 2 | 1 | 1 | 1 | | Late submission from LMs | The Regional Database is now compiled |
| | No of SMME summit | SMME database | new target | 1 | 0 | | | | | | Summit held later |
| | No of SMME summit | | new target | 1 | 0 | | | | | | (Supply chain must improve & allocate turn around time) |
| | No of Agricultural sector training | | new target | 1 | 1 | 1 | | | | | |
| SMME DEVELOPMENT | No of Construction sector training | 1. Training programme. 2. Attendance register. | new target | 1 | 1 | 1 | | | | | |
| | No of Basic business skills training | | new target | 2 | 1 | 1 | | | | | |
| | No of tourism Sector meetings | 1. Minutes 2.attendance register. | 2 | 12 | 11 | 1 | 3 | 3 | 4 | Poor attendance from LTAs | Meetings to be held at LTAs and not WDM |
| | No of Established cooperatives | Proof of registration. Eg with CIPRO | 2 | 4 | 5 | 2 | 1 | 1 | 1 | more communities who wanted to register cooperatives. | Improve on projections |
| | No of APEX Fund to be launched | 1. Minutes or Programme for launch. | new target | 1 | 1 | | | | | | |
| INDUSTRIAL STRATEGY | No. of Industrial strategy | | new target | 1 | 0 | | | | | The tender process was terminated and | It is beyond LBD's control but supply chain |

| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | | Q1 Act. | | Q2 Act. | | Q3 Act. | | Q4 Act. | | Annual Explanation of Variance | Performance Improvement Plan |
|--|---|---|------------|---------------|------|---------|------|---------|------|---------|--|---------|------|--|------------------------------|
| | | | | Act. Perf. | Act. | Act. | Act. | Act. | Act. | Act. | Act. | Act. | Act. | | |
| TOURISM EXHIBITIONS : Indaba | No of functional exhibitions | | 1 | 1 | 1 | | | | | | | | 1 | | |
| SoccerEx | No of functional exhibitions | 1.Proof of Exhibition | new target | 1 | 1 | | | | | | | | | | |
| | No of SMEs to be exposed | 2. invitation letters to exhibit | | 2 | 2 | | | | | | | | | | |
| TOURISM AWARDS PROJECT | No of entries at 3rd Annual Tourism Awards project | Summary of Tourism Awards Applications. | 67 | 77 | 160 | | | | | | | | | There was more interest from product owners. | |
| TOURISM DEVELOPMENT: DEVELOPMENT OF OWNERSHIP TOURISM ROUTES Crocodile Ramble Brochure | No of products in Brochure | | 107 | 117 | 0 | | | | | | | | | Management's decision on the brochure caused a delay otherwise procurement is in progress. | |
| Magaliesberg/AA McD | No of products on Map | | 120 | 130 | 142 | | | | | | | | | More interest from Product owners for N/A | |
| SIGNAGE | No of Signage Plan for 1 township tourism route (Pilot programme) | 1.Signage plan | new target | 1 | 1 | | | | | | | | | | |
| ESTABLISHMENT OF RTO | No of RTO awareness workshop | | new target | 1 | 0 | | | | | | | | | Project delayed due to LTA launch. | |
| | No of Training of product owners | 1.Coarse content 2.Attendance register | | 1 | 1 | | | | | | | | | | |
| | No of Tourism interns | 1.Letter of appointment | | 1 | 4 | | | | | | | | | | |
| LTA ASSISTANCE | List of members showing LTAs and areas covered. | new target | 80 | 72 | 32 | | | | | | | | | LTAs to be encouraged to market themselves in order to get more members | |
| | No of members for all LTAs | 1. Minutes 2. Attendance register. | | 8 | 16 | 19 | 4 | 5 | 4 | 6 | New LTA established in Meralong. | N/A | | | |
| TRAINING | No of petrol attendance to be trained | | new target | 60 | 34 | | | | | | | | | Less petrol attendants were trained. | |
| ADVERTISING/PR Appoint PR/Adv Consultant | No of tourism PR/Advertising and event management functions | Advertisements or Programmes for functions. | | 2 | 2 | 2 | 1 | | | | | | | Awareness campaign to get garage owners buy-in. | |
| | No of quarterly electronic tourism newsletter | electronic tourism newsletter | | 4 | 4 | 5 | 1 | 1 | 1 | 2 | More coverage of the World Cup. | N/A | | | |
| | No of quarterly advertisements | Advertisements | | 4 | 8 | 7 | 2 | 2 | 2 | 1 | The resources allocated was enough for one advert. | | | Improve on budget allocation. | |

INFRASTRUCTURE AND PROJECT MANAGEMENT

Directorate SDBIP : Infrastructure and Project Management

KPA: Basic Service Delivery and Infrastructure

Program/Projects: Operational Management programmes

| Sub activities | Unit measure | POE | Baseline | Annual Target | Actual Perf | Q1 Ending | Q2 Ending | Q3 Ending | Q4 Ending | Annual Explanation of Variance | Performance Plan Improvement Plan |
|---|--|---|------------|---------------|-------------|-----------|-----------|-----------|-----------|--|--|
| Section 80 Infrastructure Management meetings | No of S80 agenda items submitted to the COO's Office not later than 5 working days before the Corporate Services due date. | 1. Items . 2. Proof of submission to COO with dates for timeframe | New target | 10 | 6 | 1 | 3 | 2 | | Reports submitted and on Section 80 Agenda, however, no POE on available | Will ensure POEs are available |
| MPCC Building (R 12 220 000) | % Construction of the MPCC Building | Report, Letter of Appointment & Minutes of Site Meetings | New target | 100% | 0% | | | | | Various Requests received from relevant authorities for submission of additional reports / studies | Requested reports / studies are being undertaken |
| Refurbish 7.5Km of Pipeline & Construct Water Tank (R 5 784 400) | % completion of water reticulation | Completion Certificate | New target | 100% | 0% | | | | | Awaiting re-gazetting of Grant Funds | Issue being addressed with NEC |
| Internal Roads - Danielsrust Road (1 525 000) | % completion of Road reticulation | Completion Certificate | New target | 100% | 100% | | | | | | |
| Upgrading of Dolomite Road (R 3 712 500) | % completion of Road reticulation | Completion Certificate | New target | 100% | 100% | | | | | | |
| Review Municipal Housing Sector Plan (Housing Chapter of the 2001/2011 IDP Cycle) | No of Housing Sector Plans Reviewed | Housing Master Plan Council Resolution | New target | 1 | 0 | | | | | | |
| MIG Project Management | No of Business Plans prepared and submitted to DLG by the closing date for 2010/2011 financial year | Signed Business Plan as submitted | New target | 1 | 2 | | | | 2 | Two BPs submitted for approval & Funding | |
| Regional Infrastructure Master Plan | No of feasibility studies performed on identified projects | Appointment Letter & Progress Reports | New target | 1 | 0 | | | | | Feasibility studies identified not in IDP and no funding available. | |
| Local Municipality Projects funded by wRM | Monthly Reports on progress compiled and submitted to the COO | Reports received from LM's | New target | 4 | 4 | | | | 2 | 2 | |

TRANSPORT AND LAND USE MANAGEMENT

| Directorate SDBIP : Transport and Land Use Management | | | | | | | | | |
|---|---|--|------------|---------------|-----------------|--------|--------|--------|--|
| KPI A: Basic Service Delivery and Infrastructure | | | | | | | | | |
| Operating Budget R2 415 000 | | | | | | | | | |
| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Act Perf | Q1 Act | Q2 Act | Q3 Act | Q4 Ending |
| Section 80 Environmental Management meetings | No of S80 agenda items submitted to the COOs Office not later than 5 working days before the Corporate Services's due date. | 1. Items. 2. Proof of submission to COO with dates for timeframe | New target | 10 | 6 | 2 | 1 | 2 | 1 |
| TRANSPORT ADMINISTRATION | | | | | | | | | |
| No of Metropolitan transport meetings | 1. Minutes. 2. Attendance register. | 0 | 6 | 7 | 2 | 2 | 1 | 2 | WGTC requested calling of a special meeting for issues to be discussed by WESMET; Soccer 2010; Randfontein Station; Sandatile Taxi Rank |
| No of Western Gauteng Taxi Council meetings | 1. Minutes. 2. Attendance register. | 11 | 11 | 9 | 2 | 2 | 2 | 3 | Taxi industry did not meet in January. Taxi council normally have monthly meetings. Directorate only facilitate meeting upon request of taxi |
| No of Passenger Rail Association Meetings | 1. Minutes. 2. Attendance register. | New target | 6 | 4 | 2 | 1 | 0 | 1 | PRASA only arranged 4 meetings due to Soccer 2010 arrangements and deviated from their bi-monthly meetings. |
| TRANSPORT PLANNING (R650 000) | | | | | | | | | |
| % Revised Integrated Transport Plan | *Local Transport plans (4) and Revised regional document.* Council resolution | 1 To be revised | 100% | 0% | | | | | Plan still at a draft stage. Plan completed. To be submitted to Transformation Committee. ITP to be reviewed on bi-annual basis. |

| | | | | | | | |
|--|--|---|--------------------|------|-----|---|---|
| (R350 000) | % Regional weigh bridge/truck stop(Randfontein/Westonari a Planning document | One planning document. Council resolution | New target 100% | 0% | | Although project proposals were called for and tenders evaluated the appointment of the service provider only took place in October 2010. | Service provider has been appointed. Service level agreement signed. Project Steering Committee already in place. |
| PLANNING: LINK ROADS BETWEEN TOEKOMSRUS AND RIETVALLEI | % Completion of EIA processes and GDACE application | *Progress Report | 50% | 100% | 25% | 100% | Process as referred to is compulsory in accordance with NEMA legislation and must be finalized as part of planning processes. Directorate Infrastructure has, in the meantime, lodged application for MIF Funding and once approved project can continue. |
| | & Establishment of ownership and possible expropriation | New target 100% | | 0% | | | Ownership could not be established until such time final alignment of roads have been confirmed. |
| | % Pre-liminary designs and tender specs | Pre-lim designs. Draft tender documents | New target 100% | 67% | | 100% 0% | Preliminary designs were submitted as proof of evidence |
| | | | | | | | Once funding becomes available the implementation phase of the project can be proceeded with. |

| | | | | | | |
|---|--|---|--------------------------------|----------------------------|--|---|
| TRANSPORT PROGRAMMES (R30 000) | *Receipt of bicycles from province.* % role out: Transport programme: Public Transport Month | New target 100% | 0% | 0% | Roll out of bicycle project was, due to Soccer 2010 and upon request by Province rescheduled for August 2010. Due to educational strike roll out took place in October 2010. | Official launch took place on 11 October at Setholela Primary School. Directorate is currently in process of distributing bicycles to identified rural schools. |
| LAND USE MANAGEMENT Land use planning (R400 000) | No of revised SDF inclusive of Mogale City, Randfontein, Westonaria and Mierfontein. | One approved updated document. Council resolution | 1 DRAFT DOCUMENT | 0 | Final document was submitted in June 2010. Not formally approved as yet - directive that in line with vision 2010 it be submitted to Transformation Committee | Document submitted to Transformation Committee |
| R50 000 | % Land Use Management Framework for Mogale City, Randfontein, Westonaria and Mierfontein, (Status quo) | *Correspondence to LM. * Council resolutions * Data Base: All town planning schemes as used by locals. | Outdated town planning schemes | 100% support from councils | Province still busy with finalizing Land Use Management Bill and as a result the regulations pertaining to land use management schemes have not yet been promulgated. | Once regulations have been promulgated WRDW will embark on liaison with locals to prepare regional land use management schemes. |
| Land use administration+A3 2 | % processing of land use applications | *Information Workshop (Minutes and attendance) *Letter of appointment *Close up report | New target 100% | 0% | Will be aligned with above process. | Will also be attended to as part of regional development vision for 2016 - uniform data base and GIS systems |
| | | *Correspondence: Processing land use application (Date received and respond) | | | Applications as submitted by developers sometimes lack the required info and is then sent back for further processing to enable the WRDM to apply its mind. | Stricter control and follow-up measures from an administrative point of view will be enforced. |

| ENVIRONMENTAL MANAGEMENT | | | | | | | | | | | |
|--|--|--|------------------|----|---|---|---|---|---|---|--|
| Environmental Administration | | | | | | | | | | | |
| No of Environmental Forum meetings | 1. | Minutes. 2. Attendance register. | 6 | 6 | 9 | 4 | 3 | 2 | Function of rural development was added to Environmental Portfolio and it required more meetings in addition to environmental meetings as it is regarded a specialized field of discipline. | This function of rural development will be dealt with in LED as per newly discussed structures from July 2011. | |
| Environmental Management (R650 000) | | *Approved document,*Council resolution | 1 Draft Document | 1 | 0 | | | | Final document was submitted in June 2010 - public participation process was facilitated in August and final document was approved by council in October. | Document was submitted to MEC for approval and will be used as base document for budget purposes. | |
| Number of by-laws; waste management | Approve and promulgated by-laws | new target | 1set of by-laws | 1 | 1 | | | | | | |
| % Review of State of Environmental Report and Environmental Management Framework | Approved document | Outdated Document | 100% | 0% | | | | | Gathering of info for Phase 1 (SoER) took longer than anticipated. | now been completed and will be workshoped on 9 November 2010. SecondPhase will then follow - document to be compiled by August 2011. | |
| R40 000 | Monitoring of water quality (3 sources to be done quarterly) | water samples | 4 | 4 | 2 | 1 | 1 | | Process was substituted by intervention from M Lieffersch - acid mine water drainage - site visits on 10 June 2010 | Water monitoring will be done by WRDM as regulatory body in consultation with DWA. Water samples will not be taken by this Directorate. | |

| | | | | | | | | |
|---|--|--|--------------------|------|---|---|---|--|
| Environmental management programmes (R25 000) | Number of waste management awareness campaigns | Water samples (laboratory proof) | New target 2 | 4 | 2 | 2 | Intensified focus on environment | Campaigns to continue |
| Air Quality Management | No Revised Air Quality Management Plan including Meratong | Approved document | 1 draft | 1 | 0 | | Final document was submitted in June 2010 - public participation process was facilitated in August and final document was approved by WRDM. | Document was submitted to DEA for approval and will be used as base document for budget purposes. |
| R 80 000 | % Roll out: Air Quality Management Plans for stations and licensing | *Council resolution - approve devolved function. *Functional admin unit within Directorate: Records of licences issued | New target 100% | 0% | | | Draft by-laws already approved in principle in November 2010 by Section 80. Roll out plan prepared and appointed in October 2010. | Mandate as air licensing emission authority with effect from April 2010. Air Quality Official only needs to be submitted to Council. |
| R 40 000 | No of dust monitoring forum and roll out of activities | Established mining forum which deals with dust monitoring as one component. | New target 4 | 2 | 1 | 1 | Mining forum meetings -deals with dust pollution and air particles. | Mining forum to meet on regular basis. |
| Environmental Impact | % Completion of EIA processes and GDACE application: Bulk water pipeline | Approved EIA | New target 100% | 0% | | | Project aborted | Council resolution as proof was submitted. |
| | % Completion of EIA processes and GDACE application: MPCC | *EIA Report *GDACE approval | New target 100% | 100% | | | | |
| | % Completion of EIA processes and GDACE application: Commonage | Approved EIA | New target 100% | 0% | | | Aborted in favour of proposed MPCC. Proof to be submitted. | Council resolution as proof was submitted. |

HEALTH AND SOCIAL DEVELOPMENT

Directorate: SDBB2: HEALTH & SOCIAL DEVELOPMENT

IDS Goal:

MUNICIPAL HEALTH SERVICES

IIP GOAL: Improved management of Municipal Health Services leading to improved healthy environment

| Operational Budget | R300 000-00 | Annual | | | Q3 | | Q4 | | Annual Explanation of Variance | | Performance Improvement Plan |
|--|--|------------|----------|----------|-----|-----|-----|-----|--------------------------------|--|---|
| Project/ Sub activities | Unit of Measure | POE | Baseline | Target | Act | Act | Act | Act | Act | N/A | |
| No of food handlers training sessions held REF: MHS 1 | 1. Training programme 2. Attendance register. | | | R35 000 | | | | | | | |
| No of food samples taken/analysed 2 | 1. Sample forms Laboratory results. | new target | 180 | 16 | 19 | 4 | 5 | 1 | 9 | A3 the result of preparations for 2010 more training was done. | N/A |
| Prevention of safe food handling including EDCDs | | R0 | | | | | | | | | |
| No of anti-litter campaigns held REF: MHS 3 | 1. signed proposal for anti-litter campaign. 2. Attendance register | | 2 | 2 | 3 | 1 | 1 | 1 | 106 | More samples were taken as a result of the preparations for FIFA WCP and residential PVA | N/A |
| Promotion of safety in EDCDs REF: MHS 4 | 1. Inspection checklist and report. | | | R0 | | | | | | The one extra campaign in Montekeng was part of the preparations for the PVA | N/A |
| Promotion of safe drinking water | 1. Sample forms Laboratory results. 3. expenditure report | | | R0 | | | | | | Training of ECDC managers on requirements is going on and inspections will be done. | |
| No of water samples taken REF: MHS 5 | 120 | 166 | | | 43 | 43 | 9 | 51 | | As the result of preparations for 2010 more training was done delay in sample results. | Efforts will be increased in the LMs |
| Water Safety | | R20 000 | | | | | | | | | |
| Celebration: National/ International Days | National Arbor Day, World Environment Day & World Food Day celebrated REF: MHS 7 | | | R130 000 | | | | | | Macale City did its own World Environment day over and above the district event | N/A |
| Recognition of outstanding performance ad EHPS and LMs in EH | Alfred Nzo Awards REF: MHS 8 | | | R30 000 | | | | | | This item was planned for the same period as 2010 event however the impact of 2010 event were not anticipated therefore this item had to be postponed to the following financial year. | Awards will be paired with other functions of the Directorate |
| Purchasing of media material | No and type of educational material purchased REF: MHS 9 | | | R25 000 | | | | | | Exts was purchased by prov | N/A |

| IDP GOAL : An improved social cohesion among communities through sports, recreation and art programs | | | | | | | | | |
|--|--|---|------------|---------------|-----------------|--------|--------|--------|--------|
| Sports, Recreation, Arts and Culture | | | | | | | | | |
| Operational Budget | | | | | | | | | |
| Project/ Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Act Perf | Q1 Act | Q2 Act | Q3 Act | Q4 Act |
| Completion and review of Database | % database completed and reviewed REF: SRAC 1 | Database. | new target | 100% | 71% | 71% | | | |
| Assessment of all sports and recreation facilities | Percentage of facilities assessed (target 27 facilities) REF: srac 2 | 1. Checklist or Assessment report, 2. Expenditure report. | new target | 100% | 23% | 15% | 33% | 20% | 22% |
| Heritage Day | Number of events held REF: SRAC 3 | | 1 | 1 | 1 | 1 | | | |
| Art and culture competitions | Arts and Culture Competitions held REF: SRAC 4 | Attendance register, Expenditure report | new target | 2 | 2 | 1 | | 1 | |
| Strengthening of District Sports Council | No. of workshops held REF: SRAC 5 | 1. Workshop programme, 2. Attendance register, 3. expenditure report. | new target | 2 | 2 | 1 | 1 | | |
| Establishment of Arts Councils and the workshop | Arts council established REF: SRAC 6 | 1. Attendance Register 2. Expenditure report 3. Report | new target | 2 | 1 | 1 | | | |
| Sport tournament | Support sports tournament incl. OR Tambo REF: SRAC 7 | | new target | 2 | 2 | 1 | 1 | 1 | |
| Soccer clinics | Number of schools that participated REF: SRAC 8 | 1.Signed proposals, 2. Reports generated, 3. expenditure report. | new target | 20 | 31 | 5 | 6 | 10 | 10 |
| Promote leadership skills | No. of leadership Trainings held REF: SRAC 9 | 1. Reports generated 2. Attendance registers | new target | 4 | 4 | | 2 | 1 | 1 |
| Planning and organization | No of meetings with LMs coordinators REF: 10 | Minutes and attendance register | New target | 4 | 4 | 2 | 1 | 1 | |

Directorate SD&IP - Health and Social Development
 IDP Goal no. 3: 50% reduction of new HIV infections through prevention programs
 OPERATIONAL Budget
 R2 000 000
 Program/Projects: HIV & AIDS Programmes

| Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Act Perf | | Q1 Act | | Q2 Ending Act | | Q3 Act | | Q4 Ending Act | | Annual Explanation of Variance | Performance Improvement Plan | |
|--|---|--|-------------|---------------------|-----------------|---------------|--------|---------------|---------------|---------------|--------|---------------|---------------|---------------|--------------------------------|--|-----|
| | | | | | Q1 Act | Q2 Ending Act | Q3 Act | Q4 Ending Act | Q1 Act | Q2 Ending Act | Q3 Act | Q4 Ending Act | Q1 Act | Q2 Ending Act | | | |
| Prevention of HIV infection through door to door education (REF: HIV 1) | Number of people reached through door to door campaigns | 1. Attendance register. 2. Families Info clerks | 260 904 | 200 000 | 336211 | 60421 | 91 937 | 95 718 | 87135 | | | | | | | There was improvement in the collection of data by local municipalities | N/A |
| Training of ward based volunteers on door to door education (REF:HIV 2) | | 1. Training programme. 2. Attendance register. | 6 sessions/ | 4/ per area | 5 | 1 | 2 | 1 | 1 | | | | | | | Merdong City volunteers were also given training even if they were N/A | |
| Support workplace programmes (REF: HIV 3) | Workplace Committees meetings are held | 1. Minutes, 2. Attendance register. | New target | 14 (2wrdm) | 7 | 1 | 2 | 1 | 3 | | | | | | | Most municipalities did not have LMs Committees will be strengthened through support from HR etc | |
| Civil Society mobilisation (REF: HIV 4) | Number of groups trained on HIV & AIDS | 1. Training programme. 2. Attendance register. | New target | 8 sessions | 7 | 2 | 2 | 1 | 2 | | | | | | | Westonia did not do the training | |
| Intersectoral collaboration with departments (REF: HIV 5) | No of meetings with LMs coordinators | 1. Training programme. 2. Attendance register. | 4 sessions | 5 training sessions | 11 | 2 | 3 | 4 | 2 | | | | | | | 1 session was held to meet district manager and 3 were held as part of support | N/A |
| Orphans support (REF: HIV 6) | Number of Orphans affected by HIV and Aids assisted per request | 1. Minutes, 2. Attendance register. | New target | 4 | 5 | 1 | 1 | 1 | 2 | | | | | | | Extra meeting was held to come up with ways of utilizing the | N/A |
| Indigent Burial (REF: HIV 7) | Number of funeral assistance | 1. Proof of requests and assistance. | New target | Per request | 0 | | | | | | | | | | | no requests were received | N/A |
| Assisting unfunded NGOs (HIV 8) | Number of NGOs assisted | Proof of assistance. | Per need | 100% | 100% | | | | | | | | | | | 19 | |

Directorate SDBIP: Health and Social Development
IDP Priority : Service Delivery
OPERATIONS BUDGET

Program/Projects: Health programmes: Goal- Improved Health status of children and women, improved healthy lifestyles.

| Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Act | | Q1 Act | Q2 Act | Q3 Act | Q4 Act | Annual Explanation of Variance | Performance Improvement Plan |
|--|---|--|------------|---------------|------------|------|-----------|-----------|-----------|---|-----------------------------------|---------------------------------|
| | | | | | Perf | Act | | | | | | |
| Immunisation of all children under 5 years | Number of population of the under 5 years immunised REF: HP 1 | | | R70 000 | | | | | | | | |
| To prevent teenage pregnancy | Number of schools reached REF: HP 2 | 1. Door to door campaigns 2. expenditure report. | New target | 10 000 | 10518 | 1706 | 4039 | 3248 | 3231 | Target changed during adjustment budget. | N/A | |
| Improve women's health | Number of women offered education on cervical cancer REF: HP 3 | 1.Signed proposals for school visits. 2. Reports Generated. 3. expenditure report. | 2 | 4 | 5 | | 3 | | 2 | Request from high risk school. | N/A | |
| Prevention of community disease | Number of people reached on TB door to door campaign REF: HP 4 | 1.Training programme. 2.Details of women educated. 3.Expenditure report. | 9 200 | 12 000 | 11848 | 53 | 3092 | 4348 | 4355 | Will ensure evidence is not lost during the process | | |
| | | 1.Signed proposal for the campaign. 2.Details of people reached. | 52 000 | 25 000 | 32723 | 2688 | 7946 | 12533 | 9556 | Covering last year's variance | N/A | |

| Directive SDBIP - health & Social Development | | | | | | | | | |
|---|---|--|------------|---------------|-----------------|---------------|---------------|---------------|---|
| GOAL: Better informed and empowered Communities | | | | | | | | | |
| Social Development | | | | | | | | | |
| Project/ Sub activities | Unit of Measure | POE: | Baseline | Annual Target | Annual Act Perf | Q1 Ending Act | Q2 Ending Act | Q3 Ending Act | Q4 Actual Explanation of Variance |
| Operational Budget | R350 000,00 | budget allocation | R90 000 | R90 000 | R90 | | | | Performance Improvement Plan |
| Improving parental skills | Number of child and youth headed households trained in parenting skills REF: SD 1 | 1. Training programme.2. Attendance register.3. expenditure report | new target | 60 | 57 | 13 | 10 | 17 | 3>Youth dropped out due to illness, finding a job and caring for seek sibling |
| Capacitating Youth on leadership skills | Number of learners trained on leadership skills REF: SD 2 | 1. Training programme.2. Attendance register.3. expenditure report | | 52 | 90 | 98 | 30 | 34 | All youth dropping out will be included in the next training if available |
| women Emancipation | Number of women trained in various skills REF: SD 3 | 1. Training programme.2. Attendance register.3. expenditure report | | 100 | 71 | | | 34 | Extra pupils attended as per request from schools. N/A |
| Support action of the elderly | No of luncheon clubs /Old Age Homes supported REF: SD 4 | 1. Lunche on programme.2. Attendance register.3. expenditure report. | | 1 | 4 | | | 21 | Other Participants did not attend. |
| Support ECDC's | No. of ECDC's supported REF: SD 5 | 1. Attendance register.2. Toy libraries | | | R100 000 | | | | Will encourage importance of empowerment on recruitment |
| Child development | No. of libraries supported with educational toys REF: SD6 | | | 42 | 80 | 72 | | 28 | 8 could not complete course due to taxi strike |
| Community participation | No. of volunteers trained on rights and social issues REF: SD 7 | 1. Training programme.2. Attendance register. | | 30 | 100 | 96 | 18 | 24 | The 8 will be accommodated in this financial year's training |
| Collect and review databases | No. of database collected REF: SD8 | Database | new target | 6 categories | 6 | 6 | | | Recruited volunteers not turning up for training |

PUBLIC SAFETY

| OPERATIONS Budget | | Management: Good Governance and efficient management and coordination of all programs | | | | | | | | | |
|---|--|---|------------|-------------------------------|-----------------|--------|--------|--------|--------|---|--|
| Sub activities | Unit of Measure | POE | Baseline | Annual Target | Annual Act Perf | Q1 Act | Q2 Act | Q3 Act | Q4 Act | Annual Explanation of Variance | Performance Improvement Plan |
| Planning and Admin | No of District Health Council Meetings | Minutes, Attendance register. | 4 | 4 | 2 | 1 | | 1 | | The meeting did not form chorum | Training will be conducted to emphasize importance of this meeting |
| | No of Section 80 meetings | Signed Sec 80 Agendas | 9 | 10 | 7 | 2 | 1 | 2 | 2 | The meetings were affected by preparations for FIFA WC and AFCON | Normal submissions will continue like before |
| | No of SRAC meetings | Minutes, Attendance register. | 1 | 4 | | | | | | | |
| | No of Municipal Health Meetings / Peer review | Minutes, Attendance register. | 6 | 4 | 3 | | | 1 | | Poor attendance by LMS | Vision for regionalization will be emphasized |
| | Evaluation of Tenders | Percentage of tenders received and evaluated within 2 weeks post closure | | 85% | 100% | 100% | 100% | 100% | 100% | Concentrated on the FIFA WC preparations | Normal schedules will resume |
| | District AIDS Council | No of District Plenary Meetings | | Minutes, Attendance register. | 4 | 3 | 1 | 1 | 1 | Concentrated on the FIFA WC preparations therefore MMC not available to lead meeting. | Normal schedules will resume |
| West Rand Social Cluster Directors Meetings | Provincial officials to prepare reports for the MMC-MEC Forum on Social Development. | Workshop programme, Attendance register. | New target | 4 | 4 | 1 | 1 | 1 | 1 | | |

| Directorate SBIP :Public Safety | | | | | | | | | |
|---|--|---|--------------|----------------|-----------------|--------------------|-------------------|-------------------|--|
| IDP Priority: Service Delivery | | | | | | | | | |
| Program/Projects: Community Safety | | | | | | | | | |
| Capital Budget 09/10 | Operational Budget 09/10 | | R 118 000,00 | R 4 074 617,00 | | | | | |
| Sub activities | Unit of measure | POE | Baseline | Annual Target | Annual Act Perf | Qtr Ending 30 Sept | Qtr Ending 31 Dec | Qtr Ending 31 Feb | Annual Explanation of Variance |
| Improve law enforcement In the district towards establishing one shared service R550, 000 | % of municipal law enforcement officers & traffic officers appointed as peace officers | | New Target | 70% | 70% | | | | |
| | % Uniforms & vehicle branding standardized in the district | | New Target | 80% | 80% | | | | |
| | Complete Collective coordination & management structure for law enforcement | | New Target | 100% | 100% | | | | |
| | Complete establishment of by-law task team comprising of municipal law enforcement officers | Proof of establishment | New Target | 100% | 0 | 30 | 29 | | |
| Improve law enforcement in the district towards establishing one shared service R550,000 | Number of joint law enforcement operations conducted | | New Target | 100% | 4 | 12 | 3 | | |
| | Number of PIER projects conducted in order to raise public awareness & community participation R10,000 | 1.minutes 2.attendance register. 3.evaluation checklist | New Target | 13% | | 1 | 3 | | Community Safety PIER programs to be included into other PIER programs |
| | Number of CPF meetings attended and evaluated | 1.minutes 2.attendance register. 3.evaluation checklist | 100% | 100% | 100% | 100% | 100% | | No adequate focus on target |
| Implement District Safety Plan | Number of programs to assist CPF functioning & promoting community awareness and participation R165,000 [Victim empowerment, women & child abuse, rural safety, informal settlement safety, Take register, Charge', 'Men as Safety Champions, Neighbourhood & Block Watch] | New Target | 8 | 10 | 4 | 3 | 0 | 3 | |

54.

SDBIP: Public Safety
IDP Priority : Service Delivery
Program/Projects: Disaster Management

Capital Budget 09/10 Operational Budget 09/10

R 288 000.00

| | | | | | | | | | |
|---|--|---|-----|----|-----|-----|-----|---|--|
| | 9 Established FPA's for all areas within the district | Proof of establishments. | 8 | 9 | | | | Umbrella FPA (WRDM) submitted - awaiting registration | Re-submitted application Forestry now part of Department of Agriculture |
| Strengthen capacity of Fire Protection Associations and Volunteer Units in informal areas | Number of volunteers within FPA's & Volunteer Units trained | Training programme, attendance register. | 150 | 64 | 207 | | 110 | 97 | More FPA members requested training due to field fire season N/A |
| Improve public awareness and capacity (PIER) | Number of ongoing preparedness, awareness and capacity engagements | 1. signed proposals. 2.programmes. 3.Attendance registers | 30 | 30 | 160 | 110 | 22 | 0 | More awareness programs conducted due to establishment of volunteer units N/A |

Directorate SDBIP: Emergency Operations Centre
 IDP Priority : Service Delivery
 Program/Projects: Emergency Operations Centre
 Capital Budget 09/10
 Operational Budget 09/10

R 52 000.00
R 10 828 710.00

| Sub activities | Unit of Measure | poe | Baseline | Annual Target | Annual Actual | Qtr Perf | Qtr Act | Qtr Act | Qtr Act | Annual Explanation of Variance | Performance Improvement Plan |
|--|--|--|----------|---------------|---------------|----------|---------|---------|---------|---|---|
| | 95% of incoming distress calls to be attended to within 10-15 seconds | statistics | 95% | 95% | 97% | 87.00% | 97% | 97% | 97% | N/A | |
| Effective and efficient multi-sectorial coordination and joint command & control as shared service in the district | 80% transaction time of less than 1 minute | statistics | 80% | 80% | 0% | | | | | System does not produce such reports to verify this | System to be corrected in order to verify information |
| | Calls not answered the first time to be restricted to less than 5% of incoming calls | statistics | 5% | 5% | 3% | 2.70% | 3% | 3.43% | 3.22% | | |
| | 98% systems up-time | statistics | 98% | 98% | 0% | | | | | System does not produce such reports to verify this | System to be corrected in order to verify information |
| Effective and efficient multi-sectorial coordination and joint command & control as shared service in the district | (Number of interactive stakeholder meetings held to monitor service compliance | Minutes, Attendance registers | 10 | 10 | 3 | | 17 | 4 | 10 | N/A | |
| | Percentage of staff subjected to continued proficiency training and evaluation | Training programme, attendance register. | | | | 58% | 25% | 72% | 67% | 67 | |
| | 100% Engagement of Supervisors in functional meetings | Minutes, Attendance registers | 100% | 100% | 75% | | 100% | 100% | 100% | 100% | |

R 658 600.00
 R 58 570 967.00

| Sub activities | Unit of Measure | Portfolio of Evidence [PoE] | Baseline | Annual Target | Annual Perf | Act | Q1 Act | Q2 Act | Q3 Act | Q4 Act | Annual Explanation of Variance | Performance Improvement Plan |
|--|--|---|----------|---------------|-------------|-------|--------|--------|--------|--------|--|--|
| | 80% response to Priority 1 calls within 15 minutes | statistics | 80% | 80% | 82% | 78% | 83% | 80% | 81% | 81% | The use of a first responder principle was applied in order to improve response to distressed calls | N/A |
| Maintain emergency medical service standards | 60% of all operational staff members to be subjected to refresher training and evaluation of mental & physical fitness | training programme, attendance register | 30% | 60% | 0% | | | | | | No performance in this area of EMS has been achieved, as the function was reclaimed by the GDOH & SD | As an interim measure the department has now decided to allow staff member to challenge refresher training in the form of attending CPD presentations in order to accumulate points for their qualifications |
| | Number of in loco inspections at Stations in order to Improve Public Image of EMS | 1. signed Checklist/ticksheet: | 9 | 36 | 36 | 9 | 9 | 9 | 9 | 9 | | |
| Maintain emergency medical service standards | Number of meetings with hospitals (Nericare-Krugersdorp, Roblison, Leratong , Dr Yusuf Dadoo & Carletonville) with the view to ensure quality secondary medical care | minutes, attendence registers | 20 | 20 | 16 | 2 | 4 | 5 | 4 | 4 | The continued labour discontent at some of the public hospitals in the district resulted to the cancellation of certain meetings | Stakeholder commitment was guaranteed so as to improve meeting attendance in the future |
| Maintain fire & rescue service standards | 80% Response to structure fires within 15 minutes | statistics | 80% | 80% | 91% | 87% | 94% | 90% | 90% | 90% | Effective internal training as well cooperative regional functioning | N/A |
| | Contain fire damage to 10% of risk value by applying SANS norms & standards | | 10% | 10% | 8% | 4.87% | 2.50% | 18.3% | 6.60% | 6.60% | Continued internal and fire fighting refresher training | N/A |
| | 80% of rescue calls to be responded to within 15 minutes | statistics | 80% | 80% | 90% | 91% | 92% | 88% | 88% | 88% | The principle of first responder was applied in order to improve response times. | N/A |

| | | | | | | | | |
|--|--|---|------|------|------|------|---|--|
| Maintain fire & rescue service standards | 60% of staff to undergo refresher training and mental & physical fitness evaluation | Training programme, attendance register | 20% | 60% | 40% | 40% | | |
| | 100% processing of accounts to maximize income generated from service calls | List of accounts/accident s. prof of submission to Finance. | 100% | 100% | 100% | 100% | 100% | |
| | Quarterly meetings of the Building Control Forum in order to improve coordination | minutes, attendance registers | 4 | 4 | 5 | 3 | 1 | Lock cooperation from the locals. |
| Provide effective Fire Risk Management | 1. signed Checklist/Hiclist. Number of fire risk management inspections conducted as reflected in quarterly reports | New Number of fines issued | 0 | | | | Fines not yet approved by the Judiciary | The matter to be dealt with in liaison with the Office of the HOD Gauteng Department of Community Safety |
| | | | 4 | 100% | 100% | 100% | 100% | |

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